

EIDE BAILLY LLP  
200 E. 10TH ST., STE. 500  
SIOUX FALLS, SD 57104-6375

EUREKA COMMUNITY HEALTH SERVICES  
PO BOX 517  
EUREKA, SD 57437



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CLIENT'S COPY



February 25, 2021

Eureka Community Health Services Avera  
Attn: Carmen Weber  
PO Box 517  
Eureka, SD 57437

Dear Carmen:

Enclosed is the 2019 Exempt Organization return, as follows...

2019 Form 990

2019 IRS E-File Signature Authorization For An Exempt Organization (Form 8879-EO)

Please review the return for completeness and accuracy.

In addition, we have included a separate public disclosure copy of the Form 990 and Form 990-T (if applicable) on our secure portal site. All exempt organizations are required to have a copy of their current year Form 990 and two prior year returns available for public inspection. If the Form 990 includes a Schedule of Contributors (Schedule B), we have removed the names and addresses of contributors from this return, as this information is not open to public inspection. Only organizations exempt under 501(c)(3) must make the current year Form 990-T and two prior year returns available. Please print and sign the public disclosure copy(ies) and keep them available at your primary office location.

South Dakota nonprofit organizations receiving grants, pass-through grants, or any other awards granted by a state agency after July 1, 2016, are required to display their public disclosure Form 990 on the organization's website immediately following filing of the Form 990 with the IRS. Please make sure the public disclosure copy of the organizations' Form 990 is posted to your website, if applicable. This is a requirement under South Dakota Codified Law Chapter 1-56 Paragraph 10.

We prepared the return from information you furnished us without verification. Upon examination of the return by tax authorities, requests may be made for underlying data. We therefore recommend that you preserve all records which you may be called upon to produce in connection with such possible examinations.

Many states require legal entities to register with them in order to do business in their state. Please remember to keep your registration active and current for each state that you have business activities.

We sincerely appreciate the opportunity to serve you. Please contact us if you have any questions concerning the tax return.

Sincerely,

Laurie Hanson, CPA

Eide Bailly, LLP

# TAX RETURN FILING INSTRUCTIONS

FORM 990

FOR THE YEAR ENDING

June 30, 2020

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**Prepared For:**

Eureka Community Health Services Avera  
Attn: Carmen Weber  
PO Box 517  
Eureka, SD 57437

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**Prepared By:**

Eide Bailly LLP  
200 E. 10th St., Ste. 500  
Sioux Falls, SD 57104-6375

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**Amount Due or Refund:**

Not applicable

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**Make Check Payable To:**

Not applicable

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**Mail Tax Return and Check (if applicable) To:**

Not applicable

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**Return Must be Mailed On or Before:**

Not applicable

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**Special Instructions:**

This return has qualified for electronic filing. After you have reviewed the return for completeness and accuracy, please sign, date and return Form 8879-EO to our office. We will transmit the return electronically to the IRS and no further action is required. Return Form 8879-EO to us by May 17, 2021

Form **8879-EO**

# IRS e-file Signature Authorization for an Exempt Organization

OMB No. 1545-1878

For calendar year 2019, or fiscal year beginning JUL 1, 2019, and ending JUN 30, 2020

# 2019

Department of the Treasury  
Internal Revenue Service

▶ **Do not send to the IRS. Keep for your records.**  
▶ **Go to [www.irs.gov/Form8879EO](http://www.irs.gov/Form8879EO) for the latest information.**

Name of exempt organization

Employer identification number

**EUREKA COMMUNITY HEALTH SERVICES**

**46-0246437**

Name and title of officer

**CARMEN WEBER  
ADMINISTRATOR**

## Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line **1a**, **2a**, **3a**, **4a**, or **5a**, below, and the amount on that line for the return being filed with this form was blank, then leave line **1b**, **2b**, **3b**, **4b**, or **5b**, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than one line in Part I.

|                                    |                                       |  |                             |
|------------------------------------|---------------------------------------|--|-----------------------------|
| <b>1a</b> Form 990 check here      | ▶ <input checked="" type="checkbox"/> | <b>b Total revenue</b> , if any (Form 990, Part VIII, column (A), line 12) | <b>1b</b> <u>3,983,248.</u> |
| <b>2a</b> Form 990-EZ check here   | ▶ <input type="checkbox"/>            | <b>b Total revenue</b> , if any (Form 990-EZ, line 9)                      | <b>2b</b> _____             |
| <b>3a</b> Form 1120-POL check here | ▶ <input type="checkbox"/>            | <b>b Total tax</b> (Form 1120-POL, line 22)                                | <b>3b</b> _____             |
| <b>4a</b> Form 990-PF check here   | ▶ <input type="checkbox"/>            | <b>b Tax based on investment income</b> (Form 990-PF, Part VI, line 5)     | <b>4b</b> _____             |
| <b>5a</b> Form 8868 check here     | ▶ <input type="checkbox"/>            | <b>b Balance Due</b> (Form 8868, line 3c)                                  | <b>5b</b> _____             |

## Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2019 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

**Officer's PIN: check one box only**

I authorize EIDE BAILLY LLP to enter my PIN 35816  
ERO firm name Enter five numbers, but do not enter all zeros

as my signature on the organization's tax year 2019 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2019 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature \_\_\_\_\_ Date \_\_\_\_\_

## Part III Certification and Authentication

**ERO's EFIN/PIN.** Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

46123305537  
Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2019 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature \_\_\_\_\_ Date 02/25/21

**ERO Must Retain This Form - See Instructions  
Do Not Submit This Form to the IRS Unless Requested To Do So**

**Return of Organization Exempt From Income Tax**  
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)  
▶ Do not enter social security numbers on this form as it may be made public.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

**A** For the 2019 calendar year, or tax year beginning **JUL 1, 2019** and ending **JUN 30, 2020**

|  |  |   |
|--|--|---|
| <b>B</b> Check if applicable:<br><br><input type="checkbox"/> Address change<br><input type="checkbox"/> Name change<br><input type="checkbox"/> Initial return<br><input type="checkbox"/> Final return/terminated<br><input type="checkbox"/> Amended return<br><input type="checkbox"/> Application pending | <b>C</b> Name of organization<br><b>EUREKA COMMUNITY HEALTH SERVICES</b><br>Doing business as <b>EUREKA COMM HEALTH SVCS AVERA</b><br>Number and street (or P.O. box if mail is not delivered to street address) Room/suite<br><b>PO BOX 517</b><br>City or town, state or province, country, and ZIP or foreign postal code<br><b>EUREKA, SD 57437</b><br><b>F</b> Name and address of principal officer: <b>CARMEN WEBER</b><br><b>SAME AS C ABOVE</b> | <b>D</b> Employer identification number<br><b>46-0246437</b><br><b>E</b> Telephone number<br><b>605-284-2661</b><br><b>G</b> Gross receipts \$ <b>3,983,248.</b><br><b>H(a)</b> Is this a group return for subordinates? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><b>H(b)</b> Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No<br>If "No," attach a list. (see instructions)<br><b>H(c)</b> Group exemption number ▶ |
| <b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527   |  |   |
| <b>J</b> Website: ▶ <b>SEE SCHEDULE O NARRATIVE</b>  |  |   |
| <b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶  |  | <b>L</b> Year of formation: <b>1928</b> <b>M</b> State of legal domicile: <b>SD</b>   |

**Part I Summary**

|                                    |                |   |   |                                   |
|------------------------------------|----------------|---|---|-----------------------------------|
|                                    | <b>1</b>       | Briefly describe the organization's mission or most significant activities: <b>EUREKA COMMUNITY HEALTH SERVICES AVERA AIMS TO PROVIDE QUALITY, ACCESSIBLE HEALTHCARE.</b> |   |                                   |
|                                    | <b>2</b>       | Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.                                   |   |                                   |
| <b>Activities &amp; Governance</b> | <b>3</b>       | Number of voting members of the governing body (Part VI, line 1a)   | <b>3</b>  | <b>7</b>                          |
|                                    | <b>4</b>       | Number of independent voting members of the governing body (Part VI, line 1b)   | <b>4</b>  | <b>7</b>                          |
|                                    | <b>5</b>       | Total number of individuals employed in calendar year 2019 (Part V, line 2a)  | <b>5</b>  | <b>49</b>                         |
|                                    | <b>6</b>       | Total number of volunteers (estimate if necessary)  | <b>6</b>  | <b>11</b>                         |
|                                    | <b>7a</b>      | Total unrelated business revenue from Part VIII, column (C), line 12  | <b>7a</b>                                       | <b>0.</b>                         |
|                                    | <b>7b</b>      | Net unrelated business taxable income from Form 990-T, line 39  | <b>7b</b>                                       | <b>0.</b>                         |
|                                    | <b>Revenue</b> | <b>8</b>  | Contributions and grants (Part VIII, line 1h)   | <b>Prior Year</b><br>617,554.     |
| <b>9</b>                           |                | Program service revenue (Part VIII, line 2g)  | 3,282,800.                                      | 3,455,989.                        |
| <b>10</b>                          |                | Investment income (Part VIII, column (A), lines 3, 4, and 7d)   | 7,308.  | 15,133.                           |
| <b>11</b>                          |                | Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)  | 0.  | 0.                                |
| <b>12</b>                          |                | Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)  | 3,907,662.                                      | 3,983,248.                        |
| <b>13</b>                          |                | Grants and similar amounts paid (Part IX, column (A), lines 1-3)  | 0.  | 0.                                |
| <b>14</b>                          |                | Benefits paid to or for members (Part IX, column (A), line 4)   | 0.  | 0.                                |
| <b>Expenses</b>                    | <b>15</b>      | Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)   | 1,870,864.                                      | 2,106,700.                        |
|                                    | <b>16a</b>     | Professional fundraising fees (Part IX, column (A), line 11e)   | 0.  | 0.                                |
|                                    | <b>b</b>       | Total fundraising expenses (Part IX, column (D), line 25) ▶ <b>0.</b>   |   |                                   |
|                                    | <b>17</b>      | Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)  | 1,862,279.                                      | 2,108,208.                        |
|                                    | <b>18</b>      | Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)   | 3,733,143.                                      | 4,214,908.                        |
|                                    | <b>19</b>      | Revenue less expenses. Subtract line 18 from line 12  | 174,519.  | -231,660.                         |
| <b>Net Assets or Fund Balances</b> | <b>20</b>      | Total assets (Part X, line 16)  | <b>Beginning of Current Year</b><br>10,915,519. | <b>End of Year</b><br>12,367,085. |
|                                    | <b>21</b>      | Total liabilities (Part X, line 26)   | 8,464,599.                                      | 10,269,056.                       |
|                                    | <b>22</b>      | Net assets or fund balances. Subtract line 21 from line 20  | 2,450,920.                                      | 2,098,029.                        |

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

|                               |  |   |                         |   |                          |
|-------------------------------|--|---|-------------------------|---|--------------------------|
| <b>Sign Here</b>              | Signature of officer<br><b>CARMEN WEBER, ADMINISTRATOR</b><br>Type or print name and title                                     | Date  |                         |   |                          |
| <b>Paid Preparer Use Only</b> | Print/Type preparer's name<br><b>LAURIE HANSON, CPA</b>  | Preparer's signature<br><b>LAURIE HANSON, CPA</b>               | Date<br><b>02/25/21</b> | Check if self-employed <input type="checkbox"/> | PTIN<br><b>P00851848</b> |
|                               | Firm's name ▶ <b>EIDE BAILLY LLP</b><br>Firm's address ▶ <b>200 E. 10TH ST., STE. 500</b><br><b>SIOUX FALLS, SD 57104-6375</b> | Firm's EIN ▶ <b>45-0250958</b><br>Phone no. <b>605-339-1999</b> |                         |   |                          |

May the IRS discuss this return with the preparer shown above? (see instructions)  Yes  No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission: THE MISSION OF EUREKA COMMUNITY HEALTH SERVICES AVERA IS TO PROVIDE QUALITY, ACCESSIBLE HEALTHCARE TO THE RESIDENTS IN OUR REGION. WE RECOGNIZE THE ELEMENTS OF COMPASSION, RESPECT, JUSTICE, AND HOSPITALITY IN CARRYING OUT THIS MISSION.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ 3,551,871. including grants of \$ ) (Revenue \$ 3,455,989. ) EUREKA COMMUNITY HEALTH SERVICES OPERATES A 4 BED ACUTE CARE HOSPITAL, A 10 UNIT ASSISTED LIVING FACILITY AND A CLINIC ALL LOCATED IN EUREKA, SOUTH DAKOTA. ON JULY 2, 2019 THE CLINIC WAS CERTIFIED AS A RURAL HEALTH CLINIC BY THE CENTERS FOR MEDICARE AND MEDICAID. FOR THE YEAR ENDED JUNE 30, 2020, THE RURAL HEALTH CLINIC HAD A TOTAL OF 3,273 VISITS. THE 4 BED HOSPITAL FACILITY HAD 151 ACUTE CARE DAYS, 176 SWING BED DAYS, AND 3,808 ASSISTED LIVING DAYS.

4b (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4c (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4d Other program services (Describe on Schedule O.) (Expenses \$ including grants of \$ ) (Revenue \$ )

4e Total program service expenses 3,551,871.



**Part IV Checklist of Required Schedules**

|  | Yes | No |
|--|-----|----|
| 1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)?<br><i>If "Yes," complete Schedule A</i>  | X   |    |
| 2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?   | X   |    |
| 3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>  |     | X  |
| 4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>   |     | X  |
| 5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>   |     | X  |
| 6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>  |     | X  |
| 7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>  |     | X  |
| 8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>   |     | X  |
| 9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>            |     | X  |
| 10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? <i>If "Yes," complete Schedule D, Part V</i>   | X   |    |
| 11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.   |     |    |
| a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>   | X   |    |
| b Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>  |     | X  |
| c Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>  |     | X  |
| d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>   |     | X  |
| e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>   | X   |    |
| f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>  | X   |    |
| 12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>  | X   |    |
| b Was the organization included in consolidated, independent audited financial statements for the tax year?<br><i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>  |     | X  |
| 13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>  |     | X  |
| 14a Did the organization maintain an office, employees, or agents outside of the United States?  |     | X  |
| b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i> |     | X  |
| 15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>   |     | X  |
| 16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>   |     | X  |
| 17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>   |     | X  |
| 18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>   |     | X  |
| 19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>   |     | X  |
| 20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>   | X   |    |
| b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?   | X   |    |
| 21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>  |     | X  |

**Part IV Checklist of Required Schedules** (continued)

|   | Yes | No |
|---|-----|----|
| <b>22</b> Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> .....  |     | X  |
| <b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> .....   | X   |    |
| <b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> .....  |     | X  |
| <b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? .....  |     |    |
| <b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? .....   |     |    |
| <b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? .....  |     |    |
| <b>25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> .....  |     | X  |
| <b>b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> .....   |     | X  |
| <b>26</b> Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i> .....   |     | X  |
| <b>27</b> Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> ..... |     | X  |
| <b>28</b> Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions, for applicable filing thresholds, conditions, and exceptions):  |     |    |
| <b>a</b> A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i> .....  |     | X  |
| <b>b</b> A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i> .....   |     | X  |
| <b>c</b> A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i> .....   |     | X  |
| <b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> .....   |     | X  |
| <b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> .....   |     | X  |
| <b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> .....   |     | X  |
| <b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> .....   |     | X  |
| <b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> .....   |     | X  |
| <b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> .....   |     | X  |
| <b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)? .....  |     | X  |
| <b>b</b> If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....   |     |    |
| <b>36 Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....   |     | X  |
| <b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> .....  |     | X  |
| <b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? .....  | X   |    |

**Note:** All Form 990 filers are required to complete Schedule O

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response or note to any line in this Part V

|   | Yes | No |
|---|-----|----|
| <b>1a</b> Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable .....  |     |    |
| <b>b</b> Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable .....  |     |    |
| <b>c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? ..... | X   |    |

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

Table with columns for question number, question text, and Yes/No response boxes. Includes questions 2a through 16 regarding employee counts, tax filings, and organizational compliance.

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

**Section A. Governing Body and Management**

|           |  | Yes | No |
|-----------|--|-----|----|
| <b>1a</b> | Enter the number of voting members of the governing body at the end of the tax year<br>If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O. |     |    |
| <b>1b</b> | Enter the number of voting members included on line 1a, above, who are independent   |     |    |
| <b>2</b>  | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?  |     | X  |
| <b>3</b>  | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?  |     | X  |
| <b>4</b>  | Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?   |     | X  |
| <b>5</b>  | Did the organization become aware during the year of a significant diversion of the organization's assets?   |     | X  |
| <b>6</b>  | Did the organization have members or stockholders?   |     | X  |
| <b>7a</b> | Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?   |     | X  |
| <b>7b</b> | Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?  |     | X  |
| <b>8</b>  | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:  |     |    |
| <b>8a</b> | The governing body?  | X   |    |
| <b>8b</b> | Each committee with authority to act on behalf of the governing body?  |     | X  |
| <b>9</b>  | Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O   |     | X  |

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

|            |  | Yes | No |
|------------|--|-----|----|
| <b>10a</b> | Did the organization have local chapters, branches, or affiliates?   |     | X  |
| <b>10b</b> | If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?   |     |    |
| <b>11a</b> | Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?  | X   |    |
| <b>11b</b> | Describe in Schedule O the process, if any, used by the organization to review this Form 990.  |     |    |
| <b>12a</b> | Did the organization have a written conflict of interest policy? If "No," go to line 13  | X   |    |
| <b>12b</b> | Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?  | X   |    |
| <b>12c</b> | Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done   | X   |    |
| <b>13</b>  | Did the organization have a written whistleblower policy?  | X   |    |
| <b>14</b>  | Did the organization have a written document retention and destruction policy?   | X   |    |
| <b>15</b>  | Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?   |     |    |
| <b>15a</b> | The organization's CEO, Executive Director, or top management official   | X   |    |
| <b>15b</b> | Other officers or key employees of the organization  | X   |    |
|            | If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).  |     |    |
| <b>16a</b> | Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?  |     | X  |
| <b>16b</b> | If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? |     |    |

**Section C. Disclosure**

- 17** List the states with which a copy of this Form 990 is required to be filed **NONE**
- 18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
 Own website     Another's website     Upon request     Other (explain on Schedule O)
- 19** Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records **▶**  
**JOYCE SCHWINGLER - 605-284-2661**  
**PO BOX 517, EUREKA, SD 57437-0517**

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
  - List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
  - List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
  - List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
  - List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- See instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

| (A)<br>Name and title                  | (B)<br>Average hours per week (list any hours for related organizations below line) | (C)<br>Position<br>(do not check more than one box, unless person is both an officer and a director/trustee) |                       |         |              |                              |          | (D)<br>Reportable compensation from the organization (W-2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W-2/1099-MISC) | (F)<br>Estimated amount of other compensation from the organization and related organizations |
|--|---|--|-----------------------|---------|--------------|------------------------------|----------|--|---|---|
|  |   | Individual trustee or director   | Institutional trustee | Officer | Key employee | Highest compensated employee | Former   |  |   |   |
| (1) CORY HEISER<br>PHYSICIAN ASSISTANT | 40.00   |  |                       |         |              | X                            | 163,973. | 0.   | 22,534.   |   |
| (2) CARMEN WEBER<br>ADMINISTRATOR      | 25.00   |  |                       | X       |              |                              | 61,263.  | 0.   | 14,179.   |   |
| (3) JOYCE SCHWINGLER<br>CFO            | 40.00   |  |                       | X       |              |                              | 45,934.  | 0.   | 17,602.   |   |
| (4) WAYNE LUTZ<br>PRESIDENT            | 1.00  | X  |                       | X       |              |                              | 0.       | 0.   | 0.  |   |
| (5) KEITH KRAMLICH<br>VICE PRESIDENT   | 1.00  | X  |                       | X       |              |                              | 0.       | 0.   | 0.  |   |
| (6) PATRICIA GRENZ<br>SECRETARY        | 1.00  | X  |                       | X       |              |                              | 0.       | 0.   | 0.  |   |
| (7) WILLIS SCHNABEL<br>TRUSTEE         | 1.00  | X  |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| (8) KATHRYN GAB<br>TRUSTEE             | 1.00  | X  |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| (9) GEORGE HULSCHER<br>TRUSTEE         | 1.00  | X  |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| (10) WANDA JUNDT<br>TRUSTEE            | 1.00  | X  |                       |         |              |                              | 0.       | 0.   | 0.  |   |
|  |   |  |                       |         |              |                              |          |  |   |   |
|  |   |  |                       |         |              |                              |          |  |   |   |
|  |   |  |                       |         |              |                              |          |  |   |   |
|  |   |  |                       |         |              |                              |          |  |   |   |
|  |   |  |                       |         |              |                              |          |  |   |   |
|  |   |  |                       |         |              |                              |          |  |   |   |
|  |   |  |                       |         |              |                              |          |  |   |   |
|  |   |  |                       |         |              |                              |          |  |   |   |
|  |   |  |                       |         |              |                              |          |  |   |   |
|  |   |  |                       |         |              |                              |          |  |   |   |
|  |   |  |                       |         |              |                              |          |  |   |   |
|  |   |  |                       |         |              |                              |          |  |   |   |
|  |   |  |                       |         |              |                              |          |  |   |   |
|  |   |  |                       |         |              |                              |          |  |   |   |

**Part VII** Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

| (A)<br>Name and title  | (B)<br>Average hours per week (list any hours for related organizations below line) | (C)<br>Position (do not check more than one box, unless person is both an officer and a director/trustee) |                       |         |              |                              |          | (D)<br>Reportable compensation from the organization (W-2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W-2/1099-MISC) | (F)<br>Estimated amount of other compensation from the organization and related organizations |
|--|---|---|-----------------------|---------|--------------|------------------------------|----------|--|---|---|
|  |   | Individual trustee or director  | Institutional trustee | Officer | Key employee | Highest compensated employee | Former   |  |   |   |
|  |   |   |                       |         |              |                              |          |  |   |   |
|  |   |   |                       |         |              |                              |          |  |   |   |
|  |   |   |                       |         |              |                              |          |  |   |   |
|  |   |   |                       |         |              |                              |          |  |   |   |
|  |   |   |                       |         |              |                              |          |  |   |   |
|  |   |   |                       |         |              |                              |          |  |   |   |
|  |   |   |                       |         |              |                              |          |  |   |   |
|  |   |   |                       |         |              |                              |          |  |   |   |
|  |   |   |                       |         |              |                              |          |  |   |   |
|  |   |   |                       |         |              |                              |          |  |   |   |
|  |   |   |                       |         |              |                              |          |  |   |   |
|  |   |   |                       |         |              |                              |          |  |   |   |
|  |   |   |                       |         |              |                              |          |  |   |   |
| <b>1b Subtotal</b> .....   |   |   |                       |         |              |                              | 271,170. | 0.   | 54,315.   |   |
| <b>c Total from continuation sheets to Part VII, Section A</b> ..... |   |   |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| <b>d Total (add lines 1b and 1c)</b> .....                           |   |   |                       |         |              |                              | 271,170. | 0.   | 54,315.   |   |

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 1

|  | Yes | No |
|--|-----|----|
| <b>3</b> Did the organization list any <b>former</b> officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> .....  |     | X  |
| <b>4</b> For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i> ..... | X   |    |
| <b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> .....                       | X   |    |

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

| (A)<br>Name and business address  | (B)<br>Description of services | (C)<br>Compensation |
|---|--------------------------------|---------------------|
| AVERA ST. LUKE'S HOSPITAL<br>305 SOUTH STATE STREET, ABERDEEN, SD 57401 | ADMIN, IT, AND OTHER SERVICES  | 345,632.            |
|   |                                |                     |
|   |                                |                     |
|   |                                |                     |
|   |                                |                     |

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 1

**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII

|   |   |                         | (A)            | (B)                                | (C)                        | (D)  |  |
|---|---|-------------------------|----------------|------------------------------------|----------------------------|--|--|
|   |   |                         | Total revenue  | Related or exempt function revenue | Unrelated business revenue | Revenue excluded from tax under sections 512 - 514 |  |
| Contributions, Gifts, Grants and Other Similar Amounts  | <b>1 a</b> Federated campaigns  | <b>1a</b>               |                |                                    |                            |  |  |
|   | <b>b</b> Membership dues  | <b>1b</b>               |                |                                    |                            |  |  |
|   | <b>c</b> Fundraising events   | <b>1c</b>               |                |                                    |                            |  |  |
|   | <b>d</b> Related organizations  | <b>1d</b>               |                |                                    |                            |  |  |
|   | <b>e</b> Government grants (contributions)  | <b>1e</b>               | 79,248.        |                                    |                            |  |  |
|   | <b>f</b> All other contributions, gifts, grants, and similar amounts not included above | <b>1f</b>               | 432,878.       |                                    |                            |  |  |
|   | <b>g</b> Noncash contributions included in lines 1a-1f                                  | <b>1g</b>               | \$             |                                    |                            |  |  |
|   | <b>h Total.</b> Add lines 1a-1f   |                         |                | 512,126.                           |                            |  |  |
| Program Service Revenue   | <b>2 a</b> PATIENT SERVICE FEES   | Business Code<br>621110 | 3,084,456.     | 3,084,456.                         |                            |  |  |
|   | <b>b</b> ASSISTED LIVING FEES   | 362399                  | 342,732.       | 342,732.                           |                            |  |  |
|   | <b>c</b>  |                         |                |                                    |                            |  |  |
|   | <b>d</b>  |                         |                |                                    |                            |  |  |
|   | <b>e</b>  |                         |                |                                    |                            |  |  |
|   | <b>f</b> All other program service revenue  | 900099                  | 28,801.        | 28,801.                            |                            |  |  |
|   | <b>g Total.</b> Add lines 2a-2f   |                         |                | 3,455,989.                         |                            |  |  |
| Other Revenue   | <b>3</b> Investment income (including dividends, interest, and other similar amounts)   |                         | 682.           |                                    |                            | 682.   |  |
|   | <b>4</b> Income from investment of tax-exempt bond proceeds                             |                         |                |                                    |                            |  |  |
|   | <b>5</b> Royalties  |                         |                |                                    |                            |  |  |
|   | <b>6 a</b> Gross rents  | <b>6a</b>               | (i) Real       |                                    |                            |  |  |
|   |   |                         | (ii) Personal  |                                    |                            |  |  |
|   |   |                         |                |                                    |                            |  |  |
|   | <b>b</b> Less: rental expenses  | <b>6b</b>               |                |                                    |                            |  |  |
|   | <b>c</b> Rental income or (loss)  | <b>6c</b>               |                |                                    |                            |  |  |
|   | <b>d</b> Net rental income or (loss)  |                         |                |                                    |                            |  |  |
|   | <b>7 a</b> Gross amount from sales of assets other than inventory                       | <b>7a</b>               | (i) Securities | 4,451.                             | 10,000.                    |  |  |
|   |   |                         | (ii) Other     |                                    |                            |  |  |
|   |   |                         |                |                                    |                            |  |  |
|   | <b>b</b> Less: cost or other basis and sales expenses                                   | <b>7b</b>               | 0.             | 0.                                 |                            |  |  |
| <b>c</b> Gain or (loss)   | <b>7c</b>   | 4,451.                  | 10,000.        |                                    |                            |  |  |
| <b>d</b> Net gain or (loss)   |   |                         | 14,451.        |                                    | 14,451.                    |  |  |
| <b>8 a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 | <b>8a</b>   |                         |                |                                    |                            |  |  |
|   |   |                         |                |                                    |                            |  |  |
|   |   |                         |                |                                    |                            |  |  |
| <b>b</b> Less: direct expenses  | <b>8b</b>   |                         |                |                                    |                            |  |  |
| <b>c</b> Net income or (loss) from fundraising events   |   |                         |                |                                    |                            |  |  |
| <b>9 a</b> Gross income from gaming activities. See Part IV, line 19  | <b>9a</b>   |                         |                |                                    |                            |  |  |
|   |   |                         |                |                                    |                            |  |  |
|   |   |                         |                |                                    |                            |  |  |
| <b>b</b> Less: direct expenses  | <b>9b</b>   |                         |                |                                    |                            |  |  |
| <b>c</b> Net income or (loss) from gaming activities  |   |                         |                |                                    |                            |  |  |
| <b>10 a</b> Gross sales of inventory, less returns and allowances   | <b>10a</b>  |                         |                |                                    |                            |  |  |
|   |   |                         |                |                                    |                            |  |  |
|   |   |                         |                |                                    |                            |  |  |
| <b>b</b> Less: cost of goods sold   | <b>10b</b>  |                         |                |                                    |                            |  |  |
| <b>c</b> Net income or (loss) from sales of inventory   |   |                         |                |                                    |                            |  |  |
| Miscellaneous Revenue   | <b>11 a</b>   | Business Code           |                |                                    |                            |  |  |
|   | <b>b</b>  |                         |                |                                    |                            |  |  |
|   | <b>c</b>  |                         |                |                                    |                            |  |  |
|   | <b>d</b> All other revenue  |                         |                |                                    |                            |  |  |
|   | <b>e Total.</b> Add lines 11a-11d   |                         |                |                                    |                            |  |  |
| <b>12 Total revenue.</b> See instructions   |   |                         | 3,983,248.     | 3,455,989.                         | 0.                         | 15,133.  |  |

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

| Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.  | (A)<br>Total expenses | (B)<br>Program service expenses | (C)<br>Management and general expenses | (D)<br>Fundraising expenses |
|---|-----------------------|---------------------------------|--|-----------------------------|
| <b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...   |                       |                                 |  |                             |
| <b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22 .....  |                       |                                 |  |                             |
| <b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 .....   |                       |                                 |  |                             |
| <b>4</b> Benefits paid to or for members .....  |                       |                                 |  |                             |
| <b>5</b> Compensation of current officers, directors, trustees, and key employees .....   | 145,559.              |                                 | 145,559.                               |                             |
| <b>6</b> Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) .....   |                       |                                 |  |                             |
| <b>7</b> Other salaries and wages .....   | 1,630,449.            | 1,524,076.                      | 106,373.                               |                             |
| <b>8</b> Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)   | 19,568.               | 19,568.                         |  |                             |
| <b>9</b> Other employee benefits .....  | 201,864.              | 184,270.                        | 17,594.                                |                             |
| <b>10</b> Payroll taxes .....   | 109,260.              | 96,425.                         | 12,835.                                |                             |
| <b>11</b> Fees for services (nonemployees):   |                       |                                 |  |                             |
| <b>a</b> Management .....   |                       |                                 |  |                             |
| <b>b</b> Legal .....  |                       |                                 |  |                             |
| <b>c</b> Accounting .....   | 49,281.               |                                 | 49,281.                                |                             |
| <b>d</b> Lobbying .....   |                       |                                 |  |                             |
| <b>e</b> Professional fundraising services. See Part IV, line 17  |                       |                                 |  |                             |
| <b>f</b> Investment management fees .....   |                       |                                 |  |                             |
| <b>g</b> Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)  | 373,710.              | 288,624.                        | 85,086.                                |                             |
| <b>12</b> Advertising and promotion .....   | 3,979.                | 356.                            | 3,623.                                 |                             |
| <b>13</b> Office expenses .....   | 130,434.              | 96,245.                         | 34,189.                                |                             |
| <b>14</b> Information technology .....  | 93,717.               | 17,979.                         | 75,738.                                |                             |
| <b>15</b> Royalties .....   |                       |                                 |  |                             |
| <b>16</b> Occupancy .....   | 87,935.               | 74,742.                         | 13,193.                                |                             |
| <b>17</b> Travel .....  | 5,911.                | 5,825.                          | 86.                                    |                             |
| <b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials ...  |                       |                                 |  |                             |
| <b>19</b> Conferences, conventions, and meetings .....  | 9,266.                | 8,507.                          | 759.                                   |                             |
| <b>20</b> Interest .....  | 237,645.              | 209,864.                        | 27,781.                                |                             |
| <b>21</b> Payments to affiliates .....  |                       |                                 |  |                             |
| <b>22</b> Depreciation, depletion, and amortization .....   | 572,573.              | 505,639.                        | 66,934.                                |                             |
| <b>23</b> Insurance .....   | 24,639.               | 21,759.                         | 2,880.                                 |                             |
| <b>24</b> Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.) |                       |                                 |  |                             |
| <b>a</b> <b>MEDICAL SUPPLIES</b>  | 348,930.              | 346,655.                        | 2,275.                                 |                             |
| <b>b</b> <b>EQUIPMENT AND REPAIRS</b>   | 159,843.              | 148,200.                        | 11,643.                                |                             |
| <b>c</b> <b>DUES AND SUBSCRIPTIONS</b>  | 7,441.                | 2,399.                          | 5,042.                                 |                             |
| <b>d</b> _____  |                       |                                 |  |                             |
| <b>e</b> All other expenses _____   | 2,904.                | 738.                            | 2,166.                                 |                             |
| <b>25</b> <b>Total functional expenses.</b> Add lines 1 through 24e   | 4,214,908.            | 3,551,871.                      | 663,037.                               | 0.                          |
| <b>26</b> <b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.                             |                       |                                 |  |                             |

Check here  if following SOP 98-2 (ASC 958-720)



**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X

|   |  | (A)<br>Beginning of year |             | (B)<br>End of year    |
|---|--|--------------------------|-------------|-----------------------|
| <b>Assets</b>   | <b>1</b> Cash - non-interest-bearing .....   |                          | <b>1</b>    |                       |
|   | <b>2</b> Savings and temporary cash investments .....  | 332,488.                 | <b>2</b>    | 2,288,101.            |
|   | <b>3</b> Pledges and grants receivable, net .....  |                          | <b>3</b>    |                       |
|   | <b>4</b> Accounts receivable, net .....  | 785,438.                 | <b>4</b>    | 735,380.              |
|   | <b>5</b> Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons ..... |                          | <b>5</b>    |                       |
|   | <b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) .....   |                          | <b>6</b>    |                       |
|   | <b>7</b> Notes and loans receivable, net .....   |                          | <b>7</b>    |                       |
|   | <b>8</b> Inventories for sale or use .....   | 59,085.                  | <b>8</b>    | 62,029.               |
|   | <b>9</b> Prepaid expenses and deferred charges .....   | 29,457.                  | <b>9</b>    | 23,950.               |
|   | <b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....   | <b>10a</b> 11,511,299.   |             |                       |
|   | <b>b</b> Less: accumulated depreciation .....  | <b>10b</b> 2,800,205.    | 9,126,272.  | <b>10c</b> 8,711,094. |
|   | <b>11</b> Investments - publicly traded securities .....   |                          | <b>11</b>   |                       |
|   | <b>12</b> Investments - other securities. See Part IV, line 11 .....   | 582,779.                 | <b>12</b>   | 546,531.              |
|   | <b>13</b> Investments - program-related. See Part IV, line 11 .....  |                          | <b>13</b>   |                       |
|   | <b>14</b> Intangible assets .....  |                          | <b>14</b>   |                       |
|   | <b>15</b> Other assets. See Part IV, line 11 .....   |                          | <b>15</b>   |                       |
| <b>16 Total assets.</b> Add lines 1 through 15 (must equal line 33) ..... | 10,915,519.  | <b>16</b>                | 12,367,085. |                       |
| <b>Liabilities</b>  | <b>17</b> Accounts payable and accrued expenses .....  | 1,087,013.               | <b>17</b>   | 727,938.              |
|   | <b>18</b> Grants payable .....   |                          | <b>18</b>   |                       |
|   | <b>19</b> Deferred revenue .....   | 26,948.                  | <b>19</b>   | 2,017,564.            |
|   | <b>20</b> Tax-exempt bond liabilities .....  |                          | <b>20</b>   |                       |
|   | <b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D .....  |                          | <b>21</b>   |                       |
|   | <b>22</b> Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons .....     |                          | <b>22</b>   |                       |
|   | <b>23</b> Secured mortgages and notes payable to unrelated third parties .....   | 7,281,088.               | <b>23</b>   | 7,158,926.            |
|   | <b>24</b> Unsecured notes and loans payable to unrelated third parties .....   |                          | <b>24</b>   | 320,078.              |
|   | <b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D .....  | 69,550.                  | <b>25</b>   | 44,550.               |
|   | <b>26 Total liabilities.</b> Add lines 17 through 25 .....   | 8,464,599.               | <b>26</b>   | 10,269,056.           |
| <b>Net Assets or Fund Balances</b>  | <b>Organizations that follow FASB ASC 958, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27, 28, 32, and 33.</b>  |                          |             |                       |
|   | <b>27</b> Net assets without donor restrictions .....  | 2,086,535.               | <b>27</b>   | 1,891,136.            |
|   | <b>28</b> Net assets with donor restrictions .....   | 364,385.                 | <b>28</b>   | 206,893.              |
|   | <b>Organizations that do not follow FASB ASC 958, check here</b> <input type="checkbox"/> <b>and complete lines 29 through 33.</b>   |                          |             |                       |
|   | <b>29</b> Capital stock or trust principal, or current funds .....   |                          | <b>29</b>   |                       |
|   | <b>30</b> Paid-in or capital surplus, or land, building, or equipment fund .....   |                          | <b>30</b>   |                       |
|   | <b>31</b> Retained earnings, endowment, accumulated income, or other funds .....   |                          | <b>31</b>   |                       |
|   | <b>32</b> Total net assets or fund balances .....  | 2,450,920.               | <b>32</b>   | 2,098,029.            |
|   | <b>33</b> Total liabilities and net assets/fund balances .....   | 10,915,519.              | <b>33</b>   | 12,367,085.           |

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

|    |  |    |            |
|----|--|----|------------|
| 1  | Total revenue (must equal Part VIII, column (A), line 12)  | 1  | 3,983,248. |
| 2  | Total expenses (must equal Part IX, column (A), line 25)   | 2  | 4,214,908. |
| 3  | Revenue less expenses. Subtract line 2 from line 1   | 3  | -231,660.  |
| 4  | Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))                      | 4  | 2,450,920. |
| 5  | Net unrealized gains (losses) on investments   | 5  | -4,846.    |
| 6  | Donated services and use of facilities   | 6  |            |
| 7  | Investment expenses  | 7  |            |
| 8  | Prior period adjustments   | 8  |            |
| 9  | Other changes in net assets or fund balances (explain on Schedule O)   | 9  | -116,385.  |
| 10 | Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B)) | 10 | 2,098,029. |

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

- 1 Accounting method used to prepare the Form 990:  Cash  Accrual  Other \_\_\_\_\_  
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant? .....  
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- b Were the organization's financial statements audited by an independent accountant? .....  
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? .....  
If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? .....
- b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits .....

|    | Yes | No |
|----|-----|----|
| 2a |     | X  |
| 2b | X   |    |
| 2c | X   |    |
| 3a |     | X  |
| 3b |     |    |

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2019**

Open to Public Inspection

|   |   |
|---|---|
| Name of the organization<br><b>EUREKA COMMUNITY HEALTH SERVICES</b> | Employer identification number<br><b>46-0246437</b> |
|---|---|

**Part I Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2  A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990 or 990-EZ).)
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8  A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9  An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: \_\_\_\_\_
- 10  An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 11  An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 12  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
  - a  **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
  - b  **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
  - c  **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
  - d  **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
  - e  Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
  - f Enter the number of supported organizations .....
- g Provide the following information about the supported organization(s).

| (i) Name of supported organization | (ii) EIN | (iii) Type of organization (described on lines 1-10 above (see instructions)) | (iv) Is the organization listed in your governing document? |    | (v) Amount of monetary support (see instructions) | (vi) Amount of other support (see instructions) |
|------------------------------------|----------|---|---|----|---|---|
|                                    |          |   | Yes   | No |   |   |
|                                    |          |   |   |    |   |   |
|                                    |          |   |   |    |   |   |
|                                    |          |   |   |    |   |   |
|                                    |          |   |   |    |   |   |
|                                    |          |   |   |    |   |   |
|                                    |          |   |   |    |   |   |
|                                    |          |   |   |    |   |   |
|                                    |          |   |   |    |   |   |
|                                    |          |   |   |    |   |   |
|                                    |          |   |   |    |   |   |
| <b>Total</b>                       |          |   |   |    |   |   |

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

| Calendar year (or fiscal year beginning in) ►  | (a) 2015 | (b) 2016 | (c) 2017 | (d) 2018 | (e) 2019 | (f) Total |
|--|----------|----------|----------|----------|----------|-----------|
| <b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....  |          |          |          |          |          |           |
| <b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....   |          |          |          |          |          |           |
| <b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....   |          |          |          |          |          |           |
| <b>4 Total.</b> Add lines 1 through 3 .....  |          |          |          |          |          |           |
| <b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) ..... |          |          |          |          |          |           |
| <b>6 Public support.</b> Subtract line 5 from line 4.  |          |          |          |          |          |           |

**Section B. Total Support**

| Calendar year (or fiscal year beginning in) ►  | (a) 2015 | (b) 2016 | (c) 2017 | (d) 2018 | (e) 2019 | (f) Total                |
|--|----------|----------|----------|----------|----------|--------------------------|
| <b>7</b> Amounts from line 4 .....   |          |          |          |          |          |                          |
| <b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources .....   |          |          |          |          |          |                          |
| <b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on .....  |          |          |          |          |          |                          |
| <b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....  |          |          |          |          |          |                          |
| <b>11 Total support.</b> Add lines 7 through 10  |          |          |          |          |          |                          |
| <b>12</b> Gross receipts from related activities, etc. (see instructions) .....  |          |          |          |          | 12       |                          |
| <b>13 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> ..... |          |          |          |          |          | <input type="checkbox"/> |

**Section C. Computation of Public Support Percentage**

|   |    |                          |
|---|----|--------------------------|
| <b>14</b> Public support percentage for 2019 (line 6, column (f) divided by line 11, column (f)) .....  | 14 | %                        |
| <b>15</b> Public support percentage from 2018 Schedule A, Part II, line 14 .....  | 15 | %                        |
| <b>16a 33 1/3% support test - 2019.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....  |    | <input type="checkbox"/> |
| <b>b 33 1/3% support test - 2018.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....   |    | <input type="checkbox"/> |
| <b>17a 10% -facts-and-circumstances test - 2019.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....    |    | <input type="checkbox"/> |
| <b>b 10% -facts-and-circumstances test - 2018.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ..... |    | <input type="checkbox"/> |
| <b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions .....  |    | <input type="checkbox"/> |

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

| Calendar year (or fiscal year beginning in) ►   | (a) 2015 | (b) 2016 | (c) 2017 | (d) 2018 | (e) 2019 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| <b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....   |          |          |          |          |          |           |
| <b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose ..... |          |          |          |          |          |           |
| <b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 .....   |          |          |          |          |          |           |
| <b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....  |          |          |          |          |          |           |
| <b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....  |          |          |          |          |          |           |
| <b>6 Total.</b> Add lines 1 through 5 .....   |          |          |          |          |          |           |
| <b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons .....  |          |          |          |          |          |           |
| <b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year .....           |          |          |          |          |          |           |
| <b>c</b> Add lines 7a and 7b .....  |          |          |          |          |          |           |
| <b>8 Public support.</b> (Subtract line 7c from line 6.)  |          |          |          |          |          |           |

**Section B. Total Support**

| Calendar year (or fiscal year beginning in) ►  | (a) 2015 | (b) 2016 | (c) 2017 | (d) 2018 | (e) 2019 | (f) Total |
|--|----------|----------|----------|----------|----------|-----------|
| <b>9</b> Amounts from line 6 .....   |          |          |          |          |          |           |
| <b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources ..... |          |          |          |          |          |           |
| <b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 .....                           |          |          |          |          |          |           |
| <b>c</b> Add lines 10a and 10b .....   |          |          |          |          |          |           |
| <b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on .....      |          |          |          |          |          |           |
| <b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....                                  |          |          |          |          |          |           |
| <b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.)   |          |          |          |          |          |           |

**14 First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**  ►

**Section C. Computation of Public Support Percentage**

|   |           |   |
|---|-----------|---|
| <b>15</b> Public support percentage for 2019 (line 8, column (f), divided by line 13, column (f)) ..... | <b>15</b> | % |
| <b>16</b> Public support percentage from 2018 Schedule A, Part III, line 15 .....                       | <b>16</b> | % |

**Section D. Computation of Investment Income Percentage**

|  |           |   |
|--|-----------|---|
| <b>17</b> Investment income percentage for 2019 (line 10c, column (f), divided by line 13, column (f)) ..... | <b>17</b> | % |
| <b>18</b> Investment income percentage from 2018 Schedule A, Part III, line 17 .....                         | <b>18</b> | % |

**19a 33 1/3% support tests - 2019.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization  ►

**b 33 1/3% support tests - 2018.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization  ►

**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions  ►

**Part IV Supporting Organizations**

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

**Section A. All Supporting Organizations**

|  | Yes | No |
|--|-----|----|
| <b>1</b> Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>  |     |    |
| <b>2</b> Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>   |     |    |
| <b>3a</b> Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>   |     |    |
| <b>b</b> Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>   |     |    |
| <b>c</b> Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>  |     |    |
| <b>4a</b> Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>  |     |    |
| <b>b</b> Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>  |     |    |
| <b>c</b> Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>   |     |    |
| <b>5a</b> Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i> |     |    |
| <b>b Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?   |     |    |
| <b>c Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?  |     |    |
| <b>6</b> Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>  |     |    |
| <b>7</b> Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>  |     |    |
| <b>8</b> Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>  |     |    |
| <b>9a</b> Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>  |     |    |
| <b>b</b> Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>  |     |    |
| <b>c</b> Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>   |     |    |
| <b>10a</b> Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer 10b below.</i>   |     |    |
| <b>b</b> Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>   |     |    |

**Part IV Supporting Organizations** (continued)

|  | Yes | No |
|--|-----|----|
| <b>11</b> Has the organization accepted a gift or contribution from any of the following persons?  |     |    |
| <b>a</b> A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization? |     |    |
| <b>b</b> A family member of a person described in (a) above?   |     |    |
| <b>c</b> A 35% controlled entity of a person described in (a) or (b) above? <i>If "Yes" to a, b, or c, provide detail in Part VI.</i>  |     |    |

**Section B. Type I Supporting Organizations**

|   | Yes | No |
|---|-----|----|
| <b>1</b> Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i> |     |    |
| <b>2</b> Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.</i>   |     |    |

**Section C. Type II Supporting Organizations**

|  | Yes | No |
|--|-----|----|
| <b>1</b> Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i> |     |    |

**Section D. All Type III Supporting Organizations**

|   | Yes | No |
|---|-----|----|
| <b>1</b> Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided? |     |    |
| <b>2</b> Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>   |     |    |
| <b>3</b> By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>  |     |    |

**Section E. Type III Functionally Integrated Supporting Organizations**

|   |  |  |
|---|--|--|
| <b>1</b> Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).  |  |  |
| <b>a</b> <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.  |  |  |
| <b>b</b> <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.   |  |  |
| <b>c</b> <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).   |  |  |
| <b>2</b> Activities Test. Answer (a) and (b) below.   |  |  |
| <b>a</b> Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i> |  |  |
| <b>b</b> Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>  |  |  |
| <b>3</b> Parent of Supported Organizations. Answer (a) and (b) below.   |  |  |
| <b>a</b> Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>Provide details in Part VI.</i>  |  |  |
| <b>b</b> Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>   |  |  |

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

- 1  Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

| Section A - Adjusted Net Income |  | (A) Prior Year | (B) Current Year (optional) |
|---------------------------------|--|----------------|-----------------------------|
| 1                               | Net short-term capital gain  | 1              |                             |
| 2                               | Recoveries of prior-year distributions   | 2              |                             |
| 3                               | Other gross income (see instructions)  | 3              |                             |
| 4                               | Add lines 1 through 3.   | 4              |                             |
| 5                               | Depreciation and depletion   | 5              |                             |
| 6                               | Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions) | 6              |                             |
| 7                               | Other expenses (see instructions)  | 7              |                             |
| 8                               | <b>Adjusted Net Income</b> (subtract lines 5, 6, and 7 from line 4)  | 8              |                             |

| Section B - Minimum Asset Amount |   | (A) Prior Year | (B) Current Year (optional) |
|----------------------------------|---|----------------|-----------------------------|
| 1                                | Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year): |                |                             |
| a                                | Average monthly value of securities   | 1a             |                             |
| b                                | Average monthly cash balances   | 1b             |                             |
| c                                | Fair market value of other non-exempt-use assets  | 1c             |                             |
| d                                | <b>Total</b> (add lines 1a, 1b, and 1c)   | 1d             |                             |
| e                                | <b>Discount</b> claimed for blockage or other factors (explain in detail in <b>Part VI</b> ):                                   |                |                             |
| 2                                | Acquisition indebtedness applicable to non-exempt-use assets  | 2              |                             |
| 3                                | Subtract line 2 from line 1d.   | 3              |                             |
| 4                                | Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).                                 | 4              |                             |
| 5                                | Net value of non-exempt-use assets (subtract line 4 from line 3)  | 5              |                             |
| 6                                | Multiply line 5 by .035.  | 6              |                             |
| 7                                | Recoveries of prior-year distributions  | 7              |                             |
| 8                                | <b>Minimum Asset Amount</b> (add line 7 to line 6)  | 8              |                             |

| Section C - Distributable Amount |   | (A) Prior Year | Current Year |
|----------------------------------|---|----------------|--------------|
| 1                                | Adjusted net income for prior year (from Section A, line 8, Column A)   | 1              |              |
| 2                                | Enter 85% of line 1.  | 2              |              |
| 3                                | Minimum asset amount for prior year (from Section B, line 8, Column A)  | 3              |              |
| 4                                | Enter greater of line 2 or line 3.  | 4              |              |
| 5                                | Income tax imposed in prior year  | 5              |              |
| 6                                | <b>Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).   | 6              |              |
| 7                                | <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions). |                |              |

Schedule A (Form 990 or 990-EZ) 2019



**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations** (continued)

| Section D - Distributions   | Current Year |
|---|--------------|
| <b>1</b> Amounts paid to supported organizations to accomplish exempt purposes  |              |
| <b>2</b> Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity              |              |
| <b>3</b> Administrative expenses paid to accomplish exempt purposes of supported organizations  |              |
| <b>4</b> Amounts paid to acquire exempt-use assets  |              |
| <b>5</b> Qualified set-aside amounts (prior IRS approval required)  |              |
| <b>6</b> Other distributions (describe in <b>Part VI</b> ). See instructions.   |              |
| <b>7 Total annual distributions.</b> Add lines 1 through 6.   |              |
| <b>8</b> Distributions to attentive supported organizations to which the organization is responsive (provide details in <b>Part VI</b> ). See instructions. |              |
| <b>9</b> Distributable amount for 2019 from Section C, line 6   |              |
| <b>10</b> Line 8 amount divided by line 9 amount  |              |

| Section E - Distribution Allocations (see instructions)  | (i)<br>Excess Distributions | (ii)<br>Underdistributions<br>Pre-2019 | (iii)<br>Distributable<br>Amount for 2019 |
|--|-----------------------------|--|---|
| <b>1</b> Distributable amount for 2019 from Section C, line 6  |                             |  |   |
| <b>2</b> Underdistributions, if any, for years prior to 2019 (reasonable cause required- explain in <b>Part VI</b> ). See instructions.  |                             |  |   |
| <b>3</b> Excess distributions carryover, if any, to 2019   |                             |  |   |
| <b>a</b> From 2014   |                             |  |   |
| <b>b</b> From 2015   |                             |  |   |
| <b>c</b> From 2016   |                             |  |   |
| <b>d</b> From 2017   |                             |  |   |
| <b>e</b> From 2018   |                             |  |   |
| <b>f Total</b> of lines 3a through e   |                             |  |   |
| <b>g</b> Applied to underdistributions of prior years  |                             |  |   |
| <b>h</b> Applied to 2019 distributable amount  |                             |  |   |
| <b>i</b> Carryover from 2014 not applied (see instructions)  |                             |  |   |
| <b>j</b> Remainder. Subtract lines 3g, 3h, and 3i from 3f.   |                             |  |   |
| <b>4</b> Distributions for 2019 from Section D, line 7: \$   |                             |  |   |
| <b>a</b> Applied to underdistributions of prior years  |                             |  |   |
| <b>b</b> Applied to 2019 distributable amount  |                             |  |   |
| <b>c</b> Remainder. Subtract lines 4a and 4b from 4.   |                             |  |   |
| <b>5</b> Remaining underdistributions for years prior to 2019, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in <b>Part VI</b> . See instructions. |                             |  |   |
| <b>6</b> Remaining underdistributions for 2019. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in <b>Part VI</b> . See instructions.                        |                             |  |   |
| <b>7 Excess distributions carryover to 2020.</b> Add lines 3j and 4c.  |                             |  |   |
| <b>8</b> Breakdown of line 7:  |                             |  |   |
| <b>a</b> Excess from 2015  |                             |  |   |
| <b>b</b> Excess from 2016  |                             |  |   |
| <b>c</b> Excess from 2017  |                             |  |   |
| <b>d</b> Excess from 2018  |                             |  |   |
| <b>e</b> Excess from 2019  |                             |  |   |



**Schedule B**

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2019**

Name of the organization

**EUREKA COMMUNITY HEALTH SERVICES**

Employer identification number

**46-0246437**

Organization type (check one):

**Filers of:**

**Section:**

Form 990 or 990-EZ

501(c)( 3 ) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

**General Rule**

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

**Special Rules**

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000; or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ..... ▶ \$ \_\_\_\_\_

**Caution:** An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

|   |   |
|---|---|
| Name of organization<br><br><b>EUREKA COMMUNITY HEALTH SERVICES</b> | Employer identification number<br><br><b>46-0246437</b> |
|---|---|

**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

| (a)<br>No. | (b)<br>Name, address, and ZIP + 4   | (c)<br>Total contributions | (d)<br>Type of contribution   |
|------------|---|----------------------------|---|
| 1          | AVERA HEALTH FOUNDATION<br><br>3900 W AVERA DR STE 300<br><br>SIOUX FALLS, SD 57108 | \$ 432,878.                | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.) |
| _____      | _____<br><br>_____<br><br>_____   | \$ _____                   | Person <input type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.)            |
| _____      | _____<br><br>_____<br><br>_____   | \$ _____                   | Person <input type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.)            |
| _____      | _____<br><br>_____<br><br>_____   | \$ _____                   | Person <input type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.)            |
| _____      | _____<br><br>_____<br><br>_____   | \$ _____                   | Person <input type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.)            |
| _____      | _____<br><br>_____<br><br>_____   | \$ _____                   | Person <input type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.)            |

|   |   |
|---|---|
| Name of organization<br><br><b>EUREKA COMMUNITY HEALTH SERVICES</b> | Employer identification number<br><br><b>46-0246437</b> |
|---|---|

**Part II Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

| (a)<br>No.<br>from<br>Part I | (b)<br>Description of noncash property given | (c)<br>FMV (or estimate)<br>(See instructions.) | (d)<br>Date received |
|------------------------------|--|---|----------------------|
|                              |  | \$ _____  |                      |
|                              |  | \$ _____  |                      |
|                              |  | \$ _____  |                      |
|                              |  | \$ _____  |                      |
|                              |  | \$ _____  |                      |
|                              |  | \$ _____  |                      |
|                              |  | \$ _____  |                      |
|                              |  | \$ _____  |                      |
|                              |  | \$ _____  |                      |

|   |   |
|---|---|
| Name of organization<br><br><b>EUREKA COMMUNITY HEALTH SERVICES</b> | Employer identification number<br><br><b>46-0246437</b> |
|---|---|

**Part III** Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this info. once.) ▶ \$ \_\_\_\_\_  
Use duplicate copies of Part III if additional space is needed.

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---------------------|---------------------|-----------------|-------------------------------------|
|                     |                     |                 |                                     |

| (e) Transfer of gift                    |  |
|---|--|
| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|   |  |

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---------------------|---------------------|-----------------|-------------------------------------|
|                     |                     |                 |                                     |

| (e) Transfer of gift                    |  |
|---|--|
| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|   |  |

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---------------------|---------------------|-----------------|-------------------------------------|
|                     |                     |                 |                                     |

| (e) Transfer of gift                    |  |
|---|--|
| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|   |  |

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---------------------|---------------------|-----------------|-------------------------------------|
|                     |                     |                 |                                     |

| (e) Transfer of gift                    |  |
|---|--|
| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|   |  |

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019 Open to Public Inspection

Name of the organization: EUREKA COMMUNITY HEALTH SERVICES
Employer identification number: 46-0246437

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate value of contributions, grants, and end of year, and two yes/no questions about donor property and grant fund usage.

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Form with multiple questions (1-9) regarding conservation easements, including checkboxes for various purposes, a table for 2a-2d, and yes/no questions about monitoring and reporting.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Form with questions 1a, 1b, and 2 regarding art and historical treasures, including checkboxes and dollar amount fields for revenue and assets.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):
- a  Public exhibition
  - b  Scholarly research
  - c  Preservation for future generations
  - d  Loan or exchange program
  - e  Other \_\_\_\_\_
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No
- b If "Yes," explain the arrangement in Part XIII and complete the following table:
- |                                 | Amount |
|---------------------------------|--------|
| c Beginning balance             | 1c     |
| d Additions during the year     | 1d     |
| e Distributions during the year | 1e     |
| f Ending balance                | 1f     |
- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?  Yes  No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

**Part V Endowment Funds.** Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

|  | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance                     | 10,107.          | 9,760.         | 9,145.             | 8,440.               | 8,554.              |
| b Contributions                                  |                  |                |                    |                      |                     |
| c Net investment earnings, gains, and losses     | -63.             | 347.           | 615.               | 705.                 | -114.               |
| d Grants or scholarships                         |                  |                |                    |                      |                     |
| e Other expenditures for facilities and programs |                  |                |                    |                      |                     |
| f Administrative expenses                        |                  |                |                    |                      |                     |
| g End of year balance                            | 10,044.          | 10,107.        | 9,760.             | 9,145.               | 8,440.              |

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment  .00 %
  - b Permanent endowment  76.83 %
  - c Term endowment  23.17 %
- The percentages on lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- |   | Yes | No |
|---|-----|----|
| (i) Unrelated organizations   | X   |    |
| (ii) Related organizations  |     | X  |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? <input type="checkbox"/> | 3b  |    |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

| Description of property  | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|--|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land  |                                      | 18,583.                         |                              | 18,583.        |
| b Buildings  |                                      | 10,349,918.                     | 2,301,866.                   | 8,048,052.     |
| c Leasehold improvements   |                                      |                                 |                              |                |
| d Equipment  |                                      | 1,085,486.                      | 498,339.                     | 587,147.       |
| e Other  |                                      | 57,312.                         |                              | 57,312.        |
| <b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) |                                      |                                 |                              | 8,711,094.     |



**Part VII Investments - Other Securities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

| (a) Description of security or category (including name of security)      | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|---|
| (1) Financial derivatives .....   |                |   |
| (2) Closely held equity interests .....                                   |                |   |
| (3) Other .....   |                |   |
| (A)   |                |   |
| (B)   |                |   |
| (C)   |                |   |
| (D)   |                |   |
| (E)   |                |   |
| (F)   |                |   |
| (G)   |                |   |
| (H)   |                |   |
| <b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶ |                |   |

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

| (a) Description of investment   | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|---|
| (1)   |                |   |
| (2)   |                |   |
| (3)   |                |   |
| (4)   |                |   |
| (5)   |                |   |
| (6)   |                |   |
| (7)   |                |   |
| (8)   |                |   |
| (9)   |                |   |
| <b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶ |                |   |

**Part IX Other Assets.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

| (a) Description   | (b) Book value |
|---|----------------|
| (1)   |                |
| (2)   |                |
| (3)   |                |
| (4)   |                |
| (5)   |                |
| (6)   |                |
| (7)   |                |
| (8)   |                |
| (9)   |                |
| <b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶ |                |

**Part X Other Liabilities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

| 1. (a) Description of liability   | (b) Book value |
|---|----------------|
| (1) Federal income taxes  |                |
| (2) <b>TENANT SECURITY DEPOSITS</b>   | 2,550.         |
| (3) <b>ESTIMATED THIRD-PARTY PAYORS</b>                                     |                |
| (4) <b>SETTLEMENT</b>   | 42,000.        |
| (5)   |                |
| (6)   |                |
| (7)   |                |
| (8)   |                |
| (9)   |                |
| <b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶ | 44,550.        |

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII ...

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

|          |  |           |            |
|----------|--|-----------|------------|
| <b>1</b> | Total revenue, gains, and other support per audited financial statements                       | <b>1</b>  | 4,019,509. |
| <b>2</b> | Amounts included on line 1 but not on Form 990, Part VIII, line 12:                            |           |            |
| <b>a</b> | Net unrealized gains (losses) on investments   | <b>2a</b> | -4,846.    |
| <b>b</b> | Donated services and use of facilities   | <b>2b</b> |            |
| <b>c</b> | Recoveries of prior year grants  | <b>2c</b> |            |
| <b>d</b> | Other (Describe in Part XIII.)   | <b>2d</b> | 41,107.    |
| <b>e</b> | Add lines <b>2a</b> through <b>2d</b>  | <b>2e</b> | 36,261.    |
| <b>3</b> | Subtract line <b>2e</b> from line <b>1</b>   | <b>3</b>  | 3,983,248. |
| <b>4</b> | Amounts included on Form 990, Part VIII, line 12, but not on line 1:                           |           |            |
| <b>a</b> | Investment expenses not included on Form 990, Part VIII, line 7b                               | <b>4a</b> |            |
| <b>b</b> | Other (Describe in Part XIII.)   | <b>4b</b> |            |
| <b>c</b> | Add lines <b>4a</b> and <b>4b</b>  | <b>4c</b> | 0.         |
| <b>5</b> | Total revenue. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12.) | <b>5</b>  | 3,983,248. |

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

|          |   |           |            |
|----------|---|-----------|------------|
| <b>1</b> | Total expenses and losses per audited financial statements                                      | <b>1</b>  | 4,214,908. |
| <b>2</b> | Amounts included on line 1 but not on Form 990, Part IX, line 25:                               |           |            |
| <b>a</b> | Donated services and use of facilities  | <b>2a</b> |            |
| <b>b</b> | Prior year adjustments  | <b>2b</b> |            |
| <b>c</b> | Other losses  | <b>2c</b> |            |
| <b>d</b> | Other (Describe in Part XIII.)  | <b>2d</b> |            |
| <b>e</b> | Add lines <b>2a</b> through <b>2d</b>   | <b>2e</b> | 0.         |
| <b>3</b> | Subtract line <b>2e</b> from line <b>1</b>  | <b>3</b>  | 4,214,908. |
| <b>4</b> | Amounts included on Form 990, Part IX, line 25, but not on line 1:                              |           |            |
| <b>a</b> | Investment expenses not included on Form 990, Part VIII, line 7b                                | <b>4a</b> |            |
| <b>b</b> | Other (Describe in Part XIII.)  | <b>4b</b> |            |
| <b>c</b> | Add lines <b>4a</b> and <b>4b</b>   | <b>4c</b> | 0.         |
| <b>5</b> | Total expenses. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18.) | <b>5</b>  | 4,214,908. |

**Part XIII Supplemental Information.**

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

**PART V, LINE 4:**

EARNINGS ON ENDOWMENTS ARE INTENDED TO PROVIDE ADDITIONAL REAL GROWTH THROUGH NEW GIFTS AND INVESTMENT RETURN.

**PART X, LINE 2:**

THE ORGANIZATION BELIEVES THAT IT HAS APPROPRIATE SUPPORT FOR ANY TAX POSITIONS TAKEN AFFECTING ITS ANNUAL FILING REQUIREMENTS, AND AS SUCH, DOES NOT HAVE ANY UNCERTAIN TAX POSITIONS THAT ARE MATERIAL TO THE FINANCIAL STATEMENTS. THE ORGANIZATION WOULD RECOGNIZE FUTURE ACCRUED INTEREST AND PENALTIES RELATED TO UNRECOGNIZED TAX BENEFITS AND LIABILITIES IN INCOME TAX EXPENSE IF SUCH INTEREST AND PENALTIES ARE INCURRED.

**Part XIII** Supplemental Information *(continued)*

PART XI, LINE 2D - OTHER ADJUSTMENTS:

CHANGE IN INTEREST IN NET ASSETS OF FOUNDATION 41,107.

**SCHEDULE H  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Hospitals**

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, question 20.
- ▶ Attach to Form 990.
- ▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2019**

Open to Public Inspection

Name of the organization **EUREKA COMMUNITY HEALTH SERVICES** Employer identification number **46-0246437**

**Part I Financial Assistance and Certain Other Community Benefits at Cost**

|  | Yes                                 | No                                  |
|--|-------------------------------------|-------------------------------------|
| <b>1a</b> Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a  | <input checked="" type="checkbox"/> |                                     |
| <b>b</b> If "Yes," was it a written policy?  | <input checked="" type="checkbox"/> |                                     |
| <b>2</b> If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year.<br><input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities<br><input type="checkbox"/> Generally tailored to individual hospital facilities |                                     |                                     |
| <b>3</b> Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.  |                                     |                                     |
| <b>a</b> Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care?<br>If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care:<br><input type="checkbox"/> 100% <input checked="" type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ %   | <input checked="" type="checkbox"/> |                                     |
| <b>b</b> Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care:<br><input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input checked="" type="checkbox"/> 400% <input type="checkbox"/> Other _____ %                         | <input checked="" type="checkbox"/> |                                     |
| <b>c</b> If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.   |                                     |                                     |
| <b>4</b> Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?  |                                     | <input checked="" type="checkbox"/> |
| <b>5a</b> Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?  | <input checked="" type="checkbox"/> |                                     |
| <b>b</b> If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?  |                                     | <input checked="" type="checkbox"/> |
| <b>c</b> If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?  |                                     |                                     |
| <b>6a</b> Did the organization prepare a community benefit report during the tax year?   |                                     | <input checked="" type="checkbox"/> |
| <b>b</b> If "Yes," did the organization make it available to the public?   |                                     |                                     |

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.

**7 Financial Assistance and Certain Other Community Benefits at Cost**

|  | (a) Number of activities or programs (optional) | (b) Persons served (optional) | (c) Total community benefit expense | (d) Direct offsetting revenue | (e) Net community benefit expense | (f) Percent of total expense |
|--|---|-------------------------------|-------------------------------------|-------------------------------|-----------------------------------|------------------------------|
| <b>Financial Assistance and Means-Tested Government Programs</b>                                   |   |                               |                                     |                               |                                   |                              |
| <b>a</b> Financial Assistance at cost (from Worksheet 1)   |   |                               |                                     |                               |                                   |                              |
| <b>b</b> Medicaid (from Worksheet 3, column a)   |   |                               | 84,616.                             | 41,425.                       | 43,191.                           | 1.02%                        |
| <b>c</b> Costs of other means-tested government programs (from Worksheet 3, column b)              |   |                               |                                     |                               |                                   |                              |
| <b>d Total.</b> Financial Assistance and Means-Tested Government Programs                          |   |                               | 84,616.                             | 41,425.                       | 43,191.                           | 1.02%                        |
| <b>Other Benefits</b>  |   |                               |                                     |                               |                                   |                              |
| <b>e</b> Community health improvement services and community benefit operations (from Worksheet 4) |   |                               | 2,722.                              | 769.                          | 1,953.                            | .05%                         |
| <b>f</b> Health professions education (from Worksheet 5)   |   |                               |                                     |                               |                                   |                              |
| <b>g</b> Subsidized health services (from Worksheet 6)   |   |                               | 555,363.                            | 217,620.                      | 337,743.                          | 8.01%                        |
| <b>h</b> Research (from Worksheet 7)   |   |                               |                                     |                               |                                   |                              |
| <b>i</b> Cash and in-kind contributions for community benefit (from Worksheet 8)                   |   |                               |                                     |                               |                                   |                              |
| <b>j Total.</b> Other Benefits   |   |                               | 558,085.                            | 218,389.                      | 339,696.                          | 8.06%                        |
| <b>k Total.</b> Add lines 7d and 7j  |   |                               | 642,701.                            | 259,814.                      | 382,887.                          | 9.08%                        |

Part II Community Building Activities Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

Table with 7 columns: (a) Number of activities or programs (optional), (b) Persons served (optional), (c) Total community building expense, (d) Direct offsetting revenue, (e) Net community building expense, (f) Percent of total expense. Rows include Physical improvements and housing, Economic development, Community support, Environmental improvements, Leadership development and training for community members, Coalition building, Community health improvement advocacy, Workforce development, Other, and Total.

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

- 1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?
2 Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount
3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.

Table with 3 columns: Yes, No, and a central column for amounts. Contains rows for bad debt expense (202,214), Medicare revenue (1,510,729), Medicare allowable costs (1,523,307), Medicare surplus (shortfall) (-12,578), and collection practices.

Section B. Medicare

- 5 Enter total revenue received from Medicare (including DSH and IME)
6 Enter Medicare allowable costs of care relating to payments on line 5
7 Subtract line 6 from line 5. This is the surplus (or shortfall)
8 Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: [ ] Cost accounting system [ ] Cost to charge ratio [X] Other

Section C. Collection Practices

- 9a Did the organization have a written debt collection policy during the tax year?
b If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians - see instructions)

Table with 5 columns: (a) Name of entity, (b) Description of primary activity of entity, (c) Organization's profit % or stock ownership %, (d) Officers, directors, trustees, or key employees' profit % or stock ownership %, (e) Physicians' profit % or stock ownership %.

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, from largest to smallest)

How many hospital facilities did the organization operate during the tax year? 1

Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)

| Licensed hospital                        | gen. medical & surgical | Children's hospital | Teaching hospital | Critical access hospital | Research facility | ER-24 hours | ER-other | Other (describe) | Facility reporting group |
|--|-------------------------|---------------------|-------------------|--------------------------|-------------------|-------------|----------|------------------|--------------------------|
| 1 EUREKA COMMUNITY HEALTH SERVICES AVERA |                         |                     |                   |                          |                   |             |          |                  |                          |
| 200 J AVE                                |                         |                     |                   |                          |                   |             |          |                  |                          |
| EUREKA, SD 57437                         |                         |                     |                   |                          |                   |             |          |                  |                          |
| WWW.AVERA.ORG/LOCATIONS                  |                         |                     |                   |                          |                   |             |          |                  |                          |
| 10538                                    |                         |                     |                   |                          |                   |             |          |                  |                          |
| X  |                         |                     |                   | X                        |                   | X           |          |                  |                          |

**Part V Facility Information** (continued)

**Section B. Facility Policies and Practices**

(complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or letter of facility reporting group EUREKA COMMUNITY HEALTH SERVICES AVERA

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 1

|  | Yes | No |
|--|-----|----|
| <b>Community Health Needs Assessment</b>   |     |    |
| 1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year? .....   |     | X  |
| 2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C .....  |     | X  |
| 3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12 .....   | X   |    |
| If "Yes," indicate what the CHNA report describes (check all that apply):  |     |    |
| a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility  |     |    |
| b <input checked="" type="checkbox"/> Demographics of the community  |     |    |
| c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community  |     |    |
| d <input checked="" type="checkbox"/> How data was obtained  |     |    |
| e <input checked="" type="checkbox"/> The significant health needs of the community  |     |    |
| f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups  |     |    |
| g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs  |     |    |
| h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests   |     |    |
| i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)  |     |    |
| j <input type="checkbox"/> Other (describe in Section C)   |     |    |
| 4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>18</u>  |     |    |
| 5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted ..... | X   |    |
| 6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C .....  |     | X  |
| b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C .....  |     | X  |
| 7 Did the hospital facility make its CHNA report widely available to the public? .....   | X   |    |
| If "Yes," indicate how the CHNA report was made widely available (check all that apply):   |     |    |
| a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>SEE NARRATIVE FOR 7D</u>  |     |    |
| b <input type="checkbox"/> Other website (list url): _____   |     |    |
| c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility  |     |    |
| d <input checked="" type="checkbox"/> Other (describe in Section C)  |     |    |
| 8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11 .....  | X   |    |
| 9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>18</u>  |     |    |
| 10 Is the hospital facility's most recently adopted implementation strategy posted on a website? .....   | X   |    |
| a If "Yes," (list url): <u>SEE PART V LINE 7D</u>  |     |    |
| b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return? .....   |     |    |
| 11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.  |     |    |
| 12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? .....  |     | X  |
| b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax? .....   |     |    |
| c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$  |     |    |

**Part V Facility Information** (continued)

**Financial Assistance Policy (FAP)**

Name of hospital facility or letter of facility reporting group EUREKA COMMUNITY HEALTH SERVICES AVERA

|   |   | Yes      | No |
|---|---|----------|----|
| Did the hospital facility have in place during the tax year a written financial assistance policy that:   |   |          |    |
| <b>13</b>   | Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? .....  | <b>X</b> |    |
| If "Yes," indicate the eligibility criteria explained in the FAP:   |   |          |    |
| <b>a</b>  | <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>150</u> % and FPG family income limit for eligibility for discounted care of <u>400</u> %  |          |    |
| <b>b</b>  | <input checked="" type="checkbox"/> Income level other than FPG (describe in Section C)   |          |    |
| <b>c</b>  | <input checked="" type="checkbox"/> Asset level   |          |    |
| <b>d</b>  | <input checked="" type="checkbox"/> Medical indigency   |          |    |
| <b>e</b>  | <input checked="" type="checkbox"/> Insurance status  |          |    |
| <b>f</b>  | <input checked="" type="checkbox"/> Underinsurance status   |          |    |
| <b>g</b>  | <input type="checkbox"/> Residency  |          |    |
| <b>h</b>  | <input checked="" type="checkbox"/> Other (describe in Section C)   |          |    |
| <b>14</b>   | Explained the basis for calculating amounts charged to patients? .....  | <b>X</b> |    |
| <b>15</b>   | Explained the method for applying for financial assistance? .....   | <b>X</b> |    |
| If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply): |   |          |    |
| <b>a</b>  | <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application  |          |    |
| <b>b</b>  | <input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application  |          |    |
| <b>c</b>  | <input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process  |          |    |
| <b>d</b>  | <input checked="" type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications  |          |    |
| <b>e</b>  | <input type="checkbox"/> Other (describe in Section C)  |          |    |
| <b>16</b>   | Was widely publicized within the community served by the hospital facility? .....   | <b>X</b> |    |
| If "Yes," indicate how the hospital facility publicized the policy (check all that apply):  |   |          |    |
| <b>a</b>  | <input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>SEE PART V SECTION C</u>   |          |    |
| <b>b</b>  | <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>SEE PART V SECTION C</u>  |          |    |
| <b>c</b>  | <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>SEE PART V SECTION C</u>   |          |    |
| <b>d</b>  | <input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)  |          |    |
| <b>e</b>  | <input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)   |          |    |
| <b>f</b>  | <input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)  |          |    |
| <b>g</b>  | <input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention |          |    |
| <b>h</b>  | <input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP   |          |    |
| <b>i</b>  | <input type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations  |          |    |
| <b>j</b>  | <input type="checkbox"/> Other (describe in Section C)  |          |    |



**Part V Facility Information** (continued)

**Billing and Collections**

Name of hospital facility or letter of facility reporting group EUREKA COMMUNITY HEALTH SERVICES AVERA

|   | Yes | No |
|---|-----|----|
| <b>17</b> Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment? ..... | X   |    |
| <b>18</b> Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:                            |     |    |
| <b>a</b> <input type="checkbox"/> Reporting to credit agency(ies)   |     |    |
| <b>b</b> <input type="checkbox"/> Selling an individual's debt to another party   |     |    |
| <b>c</b> <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP  |     |    |
| <b>d</b> <input type="checkbox"/> Actions that require a legal or judicial process  |     |    |
| <b>e</b> <input type="checkbox"/> Other similar actions (describe in Section C)   |     |    |
| <b>f</b> <input checked="" type="checkbox"/> None of these actions or other similar actions were permitted  |     |    |
| <b>19</b> Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? .....   |     | X  |
| If "Yes," check all actions in which the hospital facility or a third party engaged:  |     |    |
| <b>a</b> <input type="checkbox"/> Reporting to credit agency(ies)   |     |    |
| <b>b</b> <input type="checkbox"/> Selling an individual's debt to another party   |     |    |
| <b>c</b> <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP  |     |    |
| <b>d</b> <input type="checkbox"/> Actions that require a legal or judicial process  |     |    |
| <b>e</b> <input type="checkbox"/> Other similar actions (describe in Section C)   |     |    |
| <b>20</b> Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply):   |     |    |
| <b>a</b> <input checked="" type="checkbox"/> Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs (if not, describe in Section C)                                |     |    |
| <b>b</b> <input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process (if not, describe in Section C)  |     |    |
| <b>c</b> <input checked="" type="checkbox"/> Processed incomplete and complete FAP applications (if not, describe in Section C)   |     |    |
| <b>d</b> <input checked="" type="checkbox"/> Made presumptive eligibility determinations (if not, describe in Section C)  |     |    |
| <b>e</b> <input type="checkbox"/> Other (describe in Section C)   |     |    |
| <b>f</b> <input type="checkbox"/> None of these efforts were made   |     |    |

**Policy Relating to Emergency Medical Care**

|   |   |  |
|---|---|--|
| <b>21</b> Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy? ..... | X |  |
| If "No," indicate why:  |   |  |
| <b>a</b> <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions   |   |  |
| <b>b</b> <input type="checkbox"/> The hospital facility's policy was not in writing   |   |  |
| <b>c</b> <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)   |   |  |
| <b>d</b> <input type="checkbox"/> Other (describe in Section C)   |   |  |

**Part V Facility Information** *(continued)*

**Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)**

Name of hospital facility or letter of facility reporting group EUREKA COMMUNITY HEALTH SERVICES AVERA

|  | Yes       | No       |
|--|-----------|----------|
| <p><b>22</b> Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.</p> <p><b>a</b> <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period</p> <p><b>b</b> <input checked="" type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period</p> <p><b>c</b> <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period</p> <p><b>d</b> <input type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method</p> |           |          |
| <p><b>23</b> During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? .....</p> <p>If "Yes," explain in Section C.</p>   | <b>23</b> | <b>X</b> |
| <p><b>24</b> During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? .....</p> <p>If "Yes," explain in Section C.</p>   | <b>24</b> | <b>X</b> |

**Part V Facility Information** *(continued)*

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

EUREKA COMMUNITY HEALTH SERVICES AVERA:

PART V, SECTION B, LINE 5: QUALITATIVE DATA WAS COLLECTED FROM FOCUS

GROUPS. FOCUS GROUPS WERE CONDUCTED IN OCTOBER AND NOVEMBER. THERE WERE 6

FOCUS GROUPS IN TOTAL. ONE FOCUS GROUP INCLUDED RETIRED COMMUNITY LEADERS,

BUSINESS OWNERS AND FARMERS/RANCHERS. ANOTHER GROUP CONSISTED OF FIVE

LOCAL CLERGY. THE THIRD FOCUS GROUP CONSISTED OF 12 CURRENT SCHOOL

TEACHERS. THE FOURTH GROUP CONSISTED OF COMMUNITY LEADERS INCLUDING CITY

MAYOR, CITY COUNCIL, AND CITY EMPLOYEES. THE FIFTH GROUP CONSISTED OF

MEDICAL PROVIDERS, NURSING HOME ADMINISTRATOR/CEO OF MEDICAL FACILITY AND

THE HOSPITAL BOARD OF TRUSTEES. THE SIXTH GROUP CONSISTED OF 18 VOLUNTEER

EMT'S WHICH INCLUDED THE AMBULANCE SQUAD PRESIDENT, THE COUNTY CORONER,

THE COUNTY SHERIFF, TEACHERS, BUSINESS OWNERS, FARMERS AND MEDICAL

PERSONNEL. IN ADDITION TO THE FOCUS GROUPS, SEVERAL KEY INTERVIEWS WERE

ALSO CONDUCTED. THE EUREKA COMMUNITY HEALTH SERVICES AVERA HOME HEALTH/DSS

HOMEMAKING DIRECTOR WAS INTERVIEWED TO GATHER INPUT ON THE NEEDS OF THE

ELDERLY IN THE COMMUNITY. THE MCPHERSON COUNTY PUBLIC HEALTH NURSE WAS

ALSO INTERVIEWED AND ASKED A SERIES OF QUESTIONS UTILIZED IN THE DATA

COLLECTION. BOTH OF THESE INDIVIDUALS HAVE SPECIAL KNOWLEDGE AND EXPERTISE

IN PUBLIC HEALTH AND KNOW AND UNDERSTAND THE NEEDS OF THE MOST VULNERABLE

AND THOSE MOST IMPACTED BY HEALTH DISPARITIES.

EUREKA COMMUNITY HEALTH SERVICES AVERA:

PART V, SECTION B, LINE 7D: THE COMMUNITY HEALTH NEEDS ASSESSMENT AND

IMPLEMENTATION STRATEGY ARE AVAILABLE AT

[HTTP://WWW.AVERA.ORG/ABOUT/COMMUNITY-HEALTH-NEEDS-ASSESSMENTS/#EUREKA](http://www.avera.org/about/community-health-needs-assessments/#EUREKA)

**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

EUREKA COMMUNITY HEALTH SERVICES AVERA:

PART V, SECTION B, LINE 11: THE IMPLEMENTATION STRATEGY RELATED TO THE 2018 CHNA REPORT IDENTIFIED THREE NEEDS, AS FOLLOWS:

1. RECRUITMENT OF PROVIDERS: A NEW PA WAS EMPLOYED BY THE HOSPITAL IN OCT 2019 AND IS NOW SERVING PATIENTS IN OUR RURAL HEALTH CLINIC. RECRUITMENT OF AN MD CONTINUES ON WITH DIFFICULTY DUE TO RECRUITING TO A RURAL AREA.

2. RECRUITMENT OF EMT'S: THE EMR (EMERGENCY MEDICAL RESPONSE) PROGRAM THAT WAS PROVIDED WAS SUCCESSFUL IN 10 TAKING THE CLASS AND 6 PASSING THE NATIONAL EXAM AND BECOMING LICENSED. THOSE WHO PASSED WILL NOW BE ABLE TO ASSIST THE EMT'S ON A CALL. A CLASS TO BECOME AN EMT WILL AGAIN BE OFFERED IN THE FALL OF 2020 WITH THE HOPE THAT THOSE WHO TOOK THE EMR CLASS WILL GO ON TO BECOME A CERTIFIED EMT.

3. HEART DISEASE PREVENTION: IN OCTOBER OF 2019 WE AGAIN CONDUCTED OUR CONSUMER TO LAB PROGRAM WHERE LAB TESTING IS DONE AT A DISCOUNTED PRICE TO DETECT POSSIBLE DEVELOPING HEART PROBLEMS. THE SCREENING PROGRAM PROPOSED IN APRIL 2020 TO DETECT HARDENING OF THE ARTERIES WHICH CAN LEAD TO HEART DISEASE HAD TO BE CANCELLED DUE TO THE COVID-19 PANDEMIC. WE BROADCASTED ON THE LOCAL RADIO SHOW TO TALK ABOUT HEART DISEASE AND THINGS TO DO TO HELP PREVENT IT.

EUREKA COMMUNITY HEALTH SERVICES AVERA:

**Part V Facility Information** *(continued)*

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

PART V, SECTION B, LINE 13H: PRESUMPTIVE ELIGIBILITY MAY BE USED AS A LAST RESORT.

EUREKA COMMUNITY HEALTH SERVICES AVERA:

PART V, SECTION B, LINE 24: THE HOSPITAL FINANCIAL ASSISTANCE POLICY DOES NOT COVER ELECTIVE PROCEDURES. THE HOSPITAL MAY HAVE CHARGED FAP ELIGIBLE PATIENTS GROSS CHARGES FOR SERVICES THAT ARE NOT COVERED UNDER THE FINANCIAL ASSISTANCE POLICY.

PART V, SECTION B, LINES 16A-C

THE FAP, FAP APPLICATION, AND FAP SUMMARY ARE AVAILABLE AT:

[HTTPS://WWW.AVERA.ORG/LOCATIONS/PROFILE/EUREKA-COMMUNITY-HEALTH-SERVICES-AVERA/](https://www.avera.org/locations/profile/eureka-community-health-services-avera/)

**Part V Facility Information** *(continued)*

**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 2

| Name and address   | Type of Facility (describe)     |
|--|---------------------------------|
| <b>1 EUREKA COMMUNITY HOSPITAL</b><br>200 J AVE<br>EUREKA, SD 57437    | <b>ASSISTED LIVING FACILITY</b> |
| <b>2 EUREKA MEDICAL CLINIC- AVERA</b><br>200 J AVE<br>EUREKA, SD 57437 | <b>CLINIC CENTER</b>            |
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**Part VI Supplemental Information**

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

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**PART I, LINE 3C:**

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IN ADDITION TO THE USE OF FPG TO DETERMINE ELIGIBILITY FOR FREE OR DISCOUNTED CARE, ECHS ALSO LOOKS AT THE PATIENT'S ASSETS, MEDICAL INDIGENCY, INSURANCE STATUS AND ELIGIBILITY FOR MEDICARE/MEDICAID. PRESUMPTIVE ELIGIBILITY IS UTILIZED AS A LAST RESORT.

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**PART I, LINE 7:**

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LINE 7E WAS OBTAINED UTILIZING THE ACTUAL GENERAL LEDGER SYSTEM. UNREIMBURSED MEDICAID ON LINE 7B WAS CALCULATED USING THE COSTING METHODS TO PREPARE THE COST REPORTS. LINE 7G WAS OBTAINED FROM THE MEDICARE COST REPORT.

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**PART III, LINE 2:**

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THE AMOUNT ON LINE 2 REPRESENTS IMPLICIT PRICE CONCESSIONS. THE ORGANIZATION DETERMINES ITS ESTIMATE OF IMPLICIT PRICE CONCESSION BASED ON ITS HISTORICAL COLLECTION EXPERIENCE WITH THIS CLASS OF PATIENTS.

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**PART III, LINE 3:**

**Part VI** Supplemental Information (Continuation)

THE ESTIMATED AMOUNT OF THE ORGANIZATION'S IMPLICIT PRICE CONCESSIONS ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER THE ORGANIZATION'S CHARITY CARE POLICY IS CALCULATED BASED ON THE PERCENTAGE OF INDIVIDUALS LIVING BELOW THE POVERTY LEVEL IN 2019. THEREFORE, 16.9% OF IMPLICIT PRICE CONCESSION CAN REASONABLY BE CONSIDERED A COMMUNITY BENEFIT AS IT WOULD HAVE BEEN WRITTEN OFF TO CHARITY CARE.

## PART III, LINE 4:

THE FOOTNOTE THAT DESCRIBES IMPLICIT PRICE CONCESSIONS IS FOUND ON PAGE TEN AND ELEVEN OF THE ATTACHED FINANCIAL STATEMENTS.

## PART III, LINE 8:

MEDICARE ALLOWABLE COST OF CARE WAS CALCULATED FROM THE MEDICARE COST REPORT FOR FISCAL YEAR ENDING 6/30/20. MEDICAL SERVICES ARE PROVIDED TO PATIENTS WITH MEDICARE COVERAGE REGARDLESS OF WHETHER OR NOT A SURPLUS OR DEFICIT IS REALIZED. PROVIDING MEDICARE SERVICES PROMOTES ACCESS TO HEALTHCARE SERVICES WHICH ARE VITALLY NEEDED BY OUR COMMUNITY. THE MEDICARE COST REPORT IS COMPLETED BASED ON THE RULES AND REGULATIONS SET FORTH BY THE CENTERS FOR MEDICARE AND MEDICAID SERVICES.

## PART III, LINE 9B:

WHEN AN ACCOUNT IS UNPAID AND COLLECTION EFFORTS ARE UNSUCCESSFUL BY THE FACILITY IT MAY BE NECESSARY TO FILE WITH A COLLECTION AGENCY FOR FURTHER COLLECTION EFFORTS. IF AT ANY TIME AFTER AN ACCOUNT IS TURNED OVER TO A COLLECTION AGENCY, IT IS DETERMINED THE PATIENT IS ELIGIBLE FOR CHARITY CARE OR ANY OTHER FINANCIAL ASSISTANCE THE COLLECTION AGENCY WILL BE NOTIFIED TO STOP ANY COLLECTION EFFORTS ON THE ACCOUNT AND THE ACCOUNT WILL BE GIVEN BACK TO THE HOSPITAL.



**Part VI** Supplemental Information (Continuation)

PART VI, LINE 2:

EUREKA COMMUNITY HEALTH SERVICES AVERA CONDUCTS PATIENT SATISFACTION SURVEYS WHICH CAN LEAD TO INFORMATION REGARDING NEEDED SERVICES. IN ADDITION, INTERACTIVE QUESTIONS ARE ASKED ABOUT SERVICES AND RESULTS ARE REPORTED BACK TO THE OFFICERS AND BOARD. ECHSA CONDUCTED A COMMUNITY HEALTH NEEDS ASSESSMENT DURING FISCAL YEAR END 6/30/19.

PART VI, LINE 3:

ECHSA HAS SIGNS POSTED THROUGHOUT THE FACILITY REGARDING FINANCIAL ASSISTANCE. A SUMMARY SHEET EXPLAINING FINANCIAL ASSISTANCE IS GIVEN TO DISCHARGED PATIENTS AND ALSO MADE AVAILABLE TO THE PUBLIC THROUGHOUT THE REST OF THE FACILITY. ECHSA ALSO POSTS THE AVAILABILITY OF THE FINANCIAL ASSISTANCE POLICY IN THE NEWSPAPER.

PART VI, LINE 4:

ECHSA IS A FOUR BED CRITICAL ACCESS HOSPITAL LOCATED IN THE TOWN OF EUREKA, IN NORTH CENTRAL SOUTH DAKOTA, IN MCPHERSON COUNTY. ACCORDING TO THE US CENSUS BUREAU, IN 2019 MCPHERSON COUNTY HAD 28.3% OF PEOPLE 65 YEARS OF AGE AND OVER. ECHSA DEFINES ITS PRIMARY SERVICE AREA AS MCPHERSON COUNTY IN WHICH THE SERVICE AREA INCLUDES THE TOWNS OF EUREKA, LEOLA, AND LONG LAKE. THE HOSPITAL ALSO SERVES A PORTION OF CAMPBELL COUNTY IN WHICH THE COMMUNITY OF HERREID RESIDES. ACCORDING TO THE US CENSUS BUREAU OF 2019, THERE WERE 2,379 PEOPLE AND 1,030 HOUSEHOLDS RESIDING IN THE COUNTY. ECHSA SERVES PEOPLE OF ALL RACES. THE US CENSUS BUREAU REPORTED IN 2019 THERE WAS 97.2% WHITE, 0.7% BLACK OR AFRICAN AMERICAN, 0.3% AMERICAN INDIAN & ALASKA NATIVE, 0.4% ASIAN, 0.1% NATIVE HAWAIIAN, 1.3% TWO OR MORE RACES, 1.6% HISPANIC OR LATINO. THE US CENSUS BUREAU IN 2019 REPORTED THAT

**Part VI** Supplemental Information (Continuation)

THE MEDIAN INCOME FOR A HOUSEHOLD IN THE COUNTY WAS \$44,574 AND ABOUT 19.5% OF THE POPULATION WAS AT OR BELOW THE POVERTY LINE. THE CENSUS IN 2019 ALSO SHOWED THAT WE HAD 166 VETERANS RESIDING IN THE COUNTY. IT WAS ALSO NOTED IN THE REPORT THAT 12.1% OF THE POPULATION IN THE COUNTY UNDER THE AGE OF 65 HAD NO HEALTH INSURANCE.

PART VI, LINE 5:

THE FACILITY IS GOVERNED BY A SEVEN MEMBER VOLUNTARY BOARD OF TRUSTEES COMPRISED OF PEOPLE LIVING WITHIN THE SERVICE AREA. THESE MEMBERS HAVE NO BUSINESS OR FAMILY TIES TO THE ORGANIZATION. ECHSA EXTENDS MEDICAL STAFF PRIVILEGES TO QUALIFIED PHYSICIANS IN THE SERVICE AREA AND CURRENTLY HAS TWO PHYSICIANS, ONE EMPLOYED PA, AND ONE CONTRACTED PA ON STAFF. ALL FUNDS GENERATED BY THE FACILITY ARE REINVESTED INTO THE FACILITY THROUGH THE CONTINUED PROVISION OF HEALTHCARE SERVICES. ECHSA IS A CRITICAL ACCESS HOSPITAL WITH 24HR EMERGENCY ROOM SERVICES AND IS OPEN TO ALL PEOPLE REGARDLESS OF ABILITY TO PAY.

ECHSA PROVIDES EDUCATION AND TRAINING IN CPR TO TEACHERS AT THE LOCAL SCHOOL, ALL PERSONNEL EMPLOYED AT THE LOCAL NURSING HOME, AND ALL AMBULANCE PERSONNEL. ECHSA ALSO PARTICIPATES IN THE PUBLIC HEALTH PROGRAM TO PROVIDE SERVICES TO LOW INCOME PEOPLE. THE HOSPITAL IS A SOLE COMMUNITY PROVIDER.

PART VI, LINE 6:

ECHSA IS A MANAGED FACILITY OF AVERA HEALTH. AVERA HEALTH AND ECHSA WORK COOPERATIVELY TO ENHANCE HEALTHCARE THROUGHOUT THE COMMUNITY SERVED BY THE HOSPITAL.

**Part VI** Supplemental Information (Continuation)

ECHSA ALSO HAS ACCESS TO "BACK OFFICE" SUPPORT SERVICES, SUCH AS LEGAL CONSULTATION, QUALITY BENCHMARKING, CODING, COMPUTER SERVICES, CONTRACT NEGOTIATIONS, ADMINISTRATIVE CONSULTATION, GROUP PURCHASING, HUMAN RESOURCE ASSISTANCE AND MANY OTHER SERVICES. AVERA HEALTH IS ABLE TO PROVIDE THESE SERVICES TO ECHSA AT A COST BELOW THAT WHICH THE HOSPITAL COULD OTHERWISE ACHIEVE. IN TURN, LOCAL CAREGIVERS ARE ABLE TO DEVOTE MORE RESOURCES TO PATIENT AND RESIDENT CARE.

AVERA HEALTH AND ECHSA DEDICATE RESOURCES TO ENDEAVORS THAT MAKE A POSITIVE DIFFERENCE TO IMPROVE THE HEALTH OF THE COMMUNITIES THEY SERVE. THESE ACTIVITIES INCLUDE LEADERSHIP DEVELOPMENT AND TRAINING FOR COMMUNITY MEMBERS, ECONOMIC DEVELOPMENT, PHYSICAL IMPROVEMENTS IN THE COMMUNITY, CONTRIBUTIONS TO NONPROFIT COMMUNITY ORGANIZATIONS, NONPROFIT EVENT SPONSORSHIPS, DONATED MEDICAL SUPPLIES, COMMUNITY HEALTH EDUCATION AND SUPPORT GROUPS, HEALTH SCREENINGS, FLU-SHOT CLINICS, COMMUNITY HEALTH EDUCATION AND VARIOUS OTHER ACTIVITIES.

**SCHEDULE J  
(Form 990)**

**Compensation Information**

OMB No. 1545-0047

**2019**

Open to Public Inspection

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees  
 ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.  
 ▶ Attach to Form 990.  
 ▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

Department of the Treasury  
Internal Revenue Service

Name of the organization: **EUREKA COMMUNITY HEALTH SERVICES**  
 Employer identification number: **46-0246437**

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- |  |  |
|--|--|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use   |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence   |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees     |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef) |

**b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain .....

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a? .....

**3** Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Compensation committee   | <input type="checkbox"/> Written employment contract                                |
| <input type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input type="checkbox"/> Form 990 of other organizations     | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment? .....
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? .....
- c** Participate in, or receive payment from, an equity-based compensation arrangement? .....
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.**

**5** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization? .....
- b** Any related organization? .....
- If "Yes" on line 5a or 5b, describe in Part III.

**6** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization? .....
- b** Any related organization? .....
- If "Yes" on line 6a or 6b, describe in Part III.

**7** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III .....

**8** Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III .....

**9** If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? .....

|           | Yes | No       |
|-----------|-----|----------|
| <b>1a</b> |     |          |
| <b>1b</b> |     |          |
| <b>2</b>  |     |          |
| <b>3</b>  |     |          |
| <b>4a</b> |     | <b>X</b> |
| <b>4b</b> |     | <b>X</b> |
| <b>4c</b> |     | <b>X</b> |
| <b>5a</b> |     | <b>X</b> |
| <b>5b</b> |     | <b>X</b> |
| <b>6a</b> |     | <b>X</b> |
| <b>6b</b> |     | <b>X</b> |
| <b>7</b>  |     | <b>X</b> |
| <b>8</b>  |     | <b>X</b> |
| <b>9</b>  |     |          |

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2019

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

**Note:** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

| (A) Name and Title                     |      | (B) Breakdown of W-2 and/or 1099-MISC compensation |                                     |                                     | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation in column (B) reported as deferred on prior Form 990 |
|--|------|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|---|
|  |      | (i) Base compensation                              | (ii) Bonus & incentive compensation | (iii) Other reportable compensation |  |                         |                                 |   |
| (1) CORY HEISER<br>PHYSICIAN ASSISTANT | (i)  | 163,973.   | 0.                                  | 0.                                  | 3,222.   | 19,312.                 | 186,507.                        | 0.  |
|  | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
| (2) CARMEN WEBER<br>ADMINISTRATOR      | (i)  | 60,925.  | 113.                                | 225.                                | 0.   | 14,721.                 | 75,984.                         | 0.  |
|  | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
|  | (i)  |  |                                     |                                     |  |                         |                                 |   |
|  | (ii) |  |                                     |                                     |  |                         |                                 |   |
|  | (i)  |  |                                     |                                     |  |                         |                                 |   |
|  | (ii) |  |                                     |                                     |  |                         |                                 |   |
|  | (i)  |  |                                     |                                     |  |                         |                                 |   |
|  | (ii) |  |                                     |                                     |  |                         |                                 |   |
|  | (i)  |  |                                     |                                     |  |                         |                                 |   |
|  | (ii) |  |                                     |                                     |  |                         |                                 |   |
|  | (i)  |  |                                     |                                     |  |                         |                                 |   |
|  | (ii) |  |                                     |                                     |  |                         |                                 |   |
|  | (i)  |  |                                     |                                     |  |                         |                                 |   |
|  | (ii) |  |                                     |                                     |  |                         |                                 |   |
|  | (i)  |  |                                     |                                     |  |                         |                                 |   |
|  | (ii) |  |                                     |                                     |  |                         |                                 |   |
|  | (i)  |  |                                     |                                     |  |                         |                                 |   |
|  | (ii) |  |                                     |                                     |  |                         |                                 |   |
|  | (i)  |  |                                     |                                     |  |                         |                                 |   |
|  | (ii) |  |                                     |                                     |  |                         |                                 |   |
|  | (i)  |  |                                     |                                     |  |                         |                                 |   |
|  | (ii) |  |                                     |                                     |  |                         |                                 |   |

**Part III Supplemental Information**

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

FORM 990 PART VII, LINE 5

CARMEN WEBER, ADMINISTRATOR, IS COMPENSATED THROUGH AN ARRANGEMENT WITH

AVERA ST. LUKE'S HOSPITAL, 305 S STATE ST, ABERDEEN, SD 57401.

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2019**

Open to Public  
Inspection

Name of the organization

EUREKA COMMUNITY HEALTH SERVICES

Employer identification number

46-0246437

FORM 990, PAGE 1, LINE J

ORGANIZATION WEBSITE: [HTTPS://WWW.AVERA.ORG/LOCATIONS/PROFILE/](https://www.avera.org/locations/profile/)

[EUREKA-COMMUNITY-HEALTH-SERVICES-AVERA/](https://www.avera.org/locations/profile/eureka-community-health-services-avera/)

FORM 990, PART VI, SECTION A, LINE 8B:

THE HOSPITAL BOARD DOES NOT HAVE COMMITTEES.

FORM 990, PART VI, SECTION B, LINE 11B:

THE ADMINISTRATOR AND FINANCE OFFICER REVIEW THE 990 IN DETAIL. AFTER THEIR REVIEW, THE 990 IS PROVIDED TO EACH BOARD MEMBER. THE 990 IS FILED AFTER EACH BOARD MEMBER HAS RECEIVED A COPY.

FORM 990, PART VI, SECTION B, LINE 12C:

THE CONFLICT OF INTEREST POLICY INCLUDES ALL BOARD MEMBERS AND OFFICERS OF THE ORGANIZATION. THE ADMINISTRATOR TAKES KNOWN CONFLICTS TO THE BOARD. THE BOARD IS RESPONSIBLE FOR THE REVIEW AND DETERMINATION OF WHETHER A CONFLICT EXISTS. IF A PERSON IS DETERMINED TO HAVE A CONFLICT, HE/SHE IS REQUIRED TO ABSTAIN FROM DISCUSSION, DELIBERATION AND VOTING ON THE MATTER CAUSING THE CONFLICT.

FORM 990, PART VI, SECTION B, LINE 15:

THE BOARD FILLS OUT A WRITTEN EVALUATION ON THE ADMINISTRATOR, AND MEETS WITH AVERA ST. LUKE'S TO DISCUSS THE EVALUATION. DETERMINATION OF COMPENSATION IS A COLLABORATIVE EFFORT BETWEEN THE ORGANIZATION AND AVERA ST. LUKE'S. THIS PROCESS IS DONE EVERY YEAR.

|   |   |
|---|---|
| Name of the organization<br><b>EUREKA COMMUNITY HEALTH SERVICES</b> | Employer identification number<br><b>46-0246437</b> |
|---|---|

THE ADMINISTRATOR REVIEWS RATES FOR PERSONS IN THE FINANCE OFFICER POSITION ACROSS THE REGION, AND ALSO REVIEWS WITH THE HR DEPT AT ST LUKE'S TO DETERMINE THE AMOUNT OF THE AGGREGATE INCREASE TO APPLY TO THE SALARY OF THE FINANCE OFFICER WHICH IS THEN APPROVED BY THE BOARD OF DIRECTORS. THIS PROCESS IS DONE EVERY YEAR.

FORM 990, PART VI, SECTION C, LINE 19:

THE DOCUMENTS ARE AVAILABLE FOR VIEWING ON-SITE ONLY.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

|   |           |
|---|-----------|
| CHANGE IN INTEREST IN NET ASSETS OF AVERA HEALTH FOUNDATION | -116,385. |
|---|-----------|



Electronic Filing PDF Attachment



Financial Statements  
June 30, 2020 and 2019

# Eureka Community Health Services

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Supplementary Information

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## Independent Auditor's Report

The Board of Directors  
Eureka Community Health Services  
Eureka, South Dakota

### Report on the Financial Statements

We have audited the accompanying financial statements of Eureka Community Health Services ("Organization"), which comprise the balance sheets as of June 30, 2020 and 2019, and the related statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Eureka Community Health Services as of June 30, 2020 and 2019, and the results of its operations, changes in net assets, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Eide Bailly LLP*

Sioux Falls, South Dakota  
November 19, 2020

# Eureka Community Health Services

Balance Sheets

June 30, 2020 and 2019

|  | 2020          | 2019          |
|--|---------------|---------------|
| <b>Assets</b>  |               |               |
| <b>Current Assets</b>                                    |               |               |
| Cash and cash equivalents                                | \$ 2,288,101  | \$ 332,488    |
| Receivables  |               |               |
| Patient and resident                                     | 728,128       | 773,972       |
| Other  | 7,252         | 11,466        |
| Supplies   | 62,029        | 59,085        |
| Prepaid expenses   | 23,950        | 29,457        |
| Total current assets                                     | 3,109,460     | 1,206,468     |
| <b>Assets Limited as to Use</b>                          |               |               |
| By Board for capital improvements and debt redemption    | 227,419       | 174,353       |
| Under indenture agreements                               | 53,531        | 26,460        |
| Total assets limited as to use                           | 280,950       | 200,813       |
| <b>Property and Equipment, Net</b>                       | 8,711,094     | 9,126,273     |
| <b>Interest in Net Assets of Avera Health Foundation</b> | 265,581       | 381,966       |
| Total assets   | \$ 12,367,085 | \$ 10,915,520 |
| <b>Liabilities and Net Assets</b>                        |               |               |
| <b>Current Liabilities</b>                               |               |               |
| Current portion of long-term debt                        | \$ 276,968    | \$ 142,363    |
| Accounts payable   |               |               |
| Trade  | 427,074       | 555,009       |
| Estimated third-party payors settlements                 | 42,000        | 67,000        |
| Accrued expenses   |               |               |
| Salaries, wages, and withholdings                        | 81,237        | 65,110        |
| Vacation   | 141,356       | 131,805       |
| Interest   | 14,928        | -             |
| Short term construction note payable                     | 63,343        | 335,089       |
| Refundable advance                                       | 1,985,230     | -             |
| Deferred revenue and other                               | 34,884        | 29,499        |
| Total current liabilities                                | 3,067,020     | 1,325,875     |
| <b>Long-Term Debt, Less Current Maturities</b>           | 7,202,036     | 7,138,725     |
| Total liabilities  | 10,269,056    | 8,464,600     |
| <b>Net Assets</b>  |               |               |
| Without donor restrictions                               | 1,891,136     | 2,086,535     |
| With donor restrictions                                  | 206,893       | 364,385       |
| Total net assets   | 2,098,029     | 2,450,920     |
| Total liabilities and net assets                         | \$ 12,367,085 | \$ 10,915,520 |

# Eureka Community Health Services

## Statements of Operations

Years Ended June 30, 2020 and 2019

|   | 2020         | 2019       |
|---|--------------|------------|
| Revenues, Gains, and Other Support Without Donor Restrictions       |              |            |
| Patient and resident service revenue                                | 3,427,188    | 3,187,142  |
| Other revenue   | 105,158      | 113,314    |
| Total revenues, gains, and other support without donor restrictions | 3,532,346    | 3,300,456  |
| Expenses  |              |            |
| Salaries and wages  | 1,686,507    | 1,485,367  |
| Depreciation and amortization                                       | 572,573      | 303,224    |
| Other   | 350,025      | 291,096    |
| Employee benefits   | 340,230      | 289,028    |
| Purchased services  | 328,149      | 326,368    |
| Interest  | 237,645      | 117,706    |
| Professional fees   | 235,340      | 364,954    |
| Supplies  | 197,160      | 213,659    |
| Repairs and maintenance   | 144,360      | 135,046    |
| Utilities and telephone   | 98,280       | 101,075    |
| Insurance   | 24,639       | 26,485     |
| Total expenses  | 4,214,908    | 3,654,008  |
| Operating Loss  | (682,562)    | (353,552)  |
| Other Income (Loss)   |              |            |
| Investment income   | 287          | 8,952      |
| Change in interest in net assets of Avera Health Foundation         | 41,107       | 2,347      |
| Gain on sale of equipment   | 10,000       | -          |
| Other non-operating income, net                                     | 2,891        | 4,745      |
| Other income (loss), net  | 54,285       | 16,044     |
| Expenses in Excess of Revenues                                      | (628,277)    | (337,508)  |
| Net assets released from restrictions for capital - Foundation      | 432,878      | 516,018    |
| Change in Net Assets Without Donor Restrictions                     | \$ (195,399) | \$ 178,510 |

Eureka Community Health Services  
 Statements of Changes in Net Assets  
 Years Ended June 30, 2020 and 2019

|  | 2020         | 2019         |
|--|--------------|--------------|
| Net Assets Without Donor Restrictions                          |              |              |
| Expenses in excess of revenues                                 | \$ (628,277) | \$ (337,508) |
| Net assets released from restrictions for capital - Foundation | 432,878      | 516,018      |
| Change in net assets without donor restrictions                | (195,399)    | 178,510      |
| Net Assets With Donor Restrictions                             |              |              |
| Change in interest in net assets of Avera Health Foundation    | 275,386      | 457,466      |
| Net assets released from restrictions for capital - Foundation | (432,878)    | (516,018)    |
| Change in net assets with donor restrictions                   | (157,492)    | (58,552)     |
| Change in Net Assets   | (352,891)    | 119,958      |
| Net Assets, Beginning of Year                                  | 2,450,920    | 2,330,962    |
| Net Assets, End of Year  | \$ 2,098,029 | \$ 2,450,920 |



# Eureka Community Health Services

## Statements of Cash Flows

Years Ended June 30, 2020 and 2019

|  | 2020         | 2019        |
|--|--------------|-------------|
| Operating Activities   |              |             |
| Change in net assets   | \$ (352,891) | \$ 119,958  |
| Adjustments to reconcile change in net assets to net cash from operating activities                      |              |             |
| Depreciation and amortization  | 572,573      | 303,224     |
| Net realized and unrealized gains and losses on investments  | 395          | (8,614)     |
| Undistributed portion of change in interest in net assets of Avera Health Foundation                     | (316,493)    | (459,813)   |
| Gain on disposal of equipment  | (10,000)     | -           |
| Change in assets and liabilities   |              |             |
| Receivables  | 50,058       | (308,513)   |
| Supplies   | (2,944)      | (2,583)     |
| Prepaid expenses   | 5,507        | 4,499       |
| Accounts payable   | (185,247)    | 260,674     |
| Estimated third-party payor settlements  | (25,000)     | 92,000      |
| Accrued expenses   | 40,606       | 35,713      |
| Refundable advance   | 1,985,230    | -           |
| Deferred revenue and other   | 5,385        | (10,786)    |
| Net Cash from Operating Activities   | 1,767,179    | 25,759      |
| Investing Activities   |              |             |
| Purchase of property and equipment   | (100,082)    | (3,206,957) |
| Proceeds from sale of equipment  | 10,000       | -           |
| Proceeds from sales of assets limited as to use  | -            | 75,000      |
| Purchases of assets limited as to use  | (80,532)     | (50,000)    |
| Net Cash used for Investing Activities   | (170,614)    | (3,181,957) |
| Financing Activities   |              |             |
| Net payments on short-term borrowing   | (271,746)    | (282,194)   |
| Proceeds from issuance of long-term debt   | 320,078      | 3,091,465   |
| Principal payments on long-term debt   | (122,162)    | (47,020)    |
| Distributions from foundation  | 432,878      | 516,018     |
| Net Cash from Investing Activities   | 359,048      | 3,278,269   |
| Net Increase in Cash and Cash Equivalents  | 1,955,613    | 122,071     |
| Cash and Cash Equivalents, Beginning of Year   | 332,488      | 210,417     |
| Cash and Cash Equivalents, End of Year   | \$ 2,288,101 | \$ 332,488  |
| Supplemental Disclosure of Cash Flow Information   |              |             |
| Cash paid during the year for interest, net of amount capitalized of \$-0- in 2020 and \$100,576 in 2019 | \$ 129,432   | \$ 135,046  |
| Supplemental Disclosure of Non-cash Investing Activity   |              |             |
| Accounts payable for construction  | \$ 57,312    | \$ -        |

**Note 1 - Organization and Significant Accounting Policies****Organization**

Eureka Community Health Services (“Organization”) operates a 4-bed acute care Hospital, a 10-unit assisted living facility, and a clinic located in Eureka, South Dakota. The Organization is organized as a South Dakota nonprofit corporation and has been recognized by the Internal Revenue Service as exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). The Organization’s legal name is Eureka Community Benevolent Hospital Association; however, the Organization conducts business as Eureka Community Health Services.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding assets limited as to use.

**Patient and Resident Receivables**

Patient and resident receivables are uncollateralized patient, resident and third-party payor obligations. Unpaid patient and resident receivables, excluding amounts due from third-party payors, with invoice dates over 90 days old, have interest assessed at 1.5 percent per month. Due to the uncertainty of collecting private pay accounts, these interest charges are recognized as income when received. Payments of patient and resident receivables are allocated to the specific claims identified on the remittance advice or, if unspecified, are applied to the earliest unpaid claim.

Patient and resident accounts receivable are stated net of any contractual and implicit price concessions and then further reduced by an allowance for doubtful accounts. In evaluating the collectability of accounts receivable, the Organization analyzes accounts for adverse changes in a patient’s and resident’s or third-party payor’s ability to pay that may have occurred subsequent to recognition. Management regularly reviews specific data about receivable balances and its past history with similar cases to estimate contractual and implicit price concessions, and any allowances for uncollectible accounts.

The Organization's process for calculating the allowance for doubtful accounts for self-pay patients has not significantly changed from June 30, 2019 to June 30, 2020. The Organization does not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant write offs from third-party payors. The Organization has not significantly changed its charity care or uninsured discount policies during fiscal years 2020 or 2019.

**Supplies**

Supplies are valued at lower of cost (first in, first out) or net realizable value.

**Assets Limited as to Use**

Assets limited as to use include assets set aside by the Board of Directors for future capital improvements and debt redemption, over which the Board retains control and may at its discretion subsequently use for other purposes; and assets held by the Organization under indenture agreements. Assets limited as to use that are available for obligations classified as current liabilities are reported in current assets.

**Investments and Investment Income**

Investments with readily determinable market values are stated at fair value. The fair value of all debt and equity securities with readily determinable fair values are based on quotations obtained from national and foreign securities exchanges. All investments are classified as trading securities; therefore, investment income or loss (including interest income, dividends, net changes in unrealized gains and losses, and net realized gains and losses) is included in the performance indicator unless the income or loss is restricted by donor or law.

The Organization, through its affiliation with Avera Health, participates in the Avera Pooled Investment Fund, a fund administered by Avera Health. The Pooled Investment Fund has a portion of its holdings in alternative investments, which are not readily marketable. These alternative investments include partnerships and other interests that invest in hedge funds, real asset funds, and private equity/venture capital funds, among others. Many of these alternative investments have fair values that are determined using the net asset value (NAV) provided by the investment manager. NAV is a practical expedient to determine the fair value of investments that do not have readily determinable fair values and prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. Investment income, including interest, dividends, realized gains and losses, and unrealized gains and losses are allocated to participants of the Avera Pooled Investment Fund based upon their pro rata share of the investments.

**Property and Equipment**

Property and equipment acquisitions in excess of \$5,000 are capitalized and recorded at cost. Depreciation is provided over the estimated useful life of each depreciable asset and is computed using the straight-line method. The estimated useful lives of property and equipment are as follows:

|                   |               |
|-------------------|---------------|
| Land improvements | 10 years      |
| Buildings         | 10 - 50 years |
| Equipment         | 5 - 20 years  |

Gifts of long-lived assets such as land, buildings, or equipment are reported as additions to net assets without donor restrictions, and are excluded from the performance indicator, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

The hospital considers whether indicators of impairment are present and performs the necessary analysis to determine if the carrying values of assets are appropriate. No impairment was identified for the years ending June 30, 2020 and 2019.

**Deferred Revenue**

The Organization recognizes deferred revenue when money is received in advance of qualifying expenditures. Money received is considered an exchange transaction. Revenue is recognized and included in income at the time qualifying expenditures are made by the Organization.

**Net Assets with Donor Restrictions**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**Interest in Net Assets of Avera Health Foundation**

Avera Health Foundation, an affiliate of the Organization, solicits contributions and holds funds on behalf of the Organization. Changes in the funds held by the Foundation are recorded as changes in interest in net assets of Avera Health Foundation in the accompanying financial statements.

**Performance Indicator**

Expenses in excess of revenues excludes transfers of assets to and from related parties for other than goods and services, and contributions of long-lived assets, including assets acquired using contributions which were restricted by donors.

**Patient and Resident Service Revenue**

Patient and resident service revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing patient and resident care. These amounts are due from patients or residents, third-party payors including health insurers and government programs, and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations. Generally, the Organization bills the patients or residents and third-party payors several days after the services are performed and/or the patient or resident is discharged from the facilities. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Organization. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Organization believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients in the hospital receiving inpatient acute, outpatient, or professional services, or residents in assisted living. The Organization measures the performance obligation (associated with inpatient acute services and assisted living services) from admission to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge. Revenue for performance obligations satisfied at a point in time is recognized when goods or services are provided, and the Organization does not believe it is required to provide additional goods or services to the patient.

The Organization determines the transaction price based on standard charges for goods and services provided, reduced by contractual price concessions provided to third-party payors, discounts provided to uninsured patients in accordance with the Organization's policy, and/or implicit price concessions provided to uninsured patients. The Organization determines its estimates of contractual price concessions and discounts based on contractual agreements, its discount policies and historical experience. The Organization determines its estimate of implicit price concessions based on its historical collection experience with this class of patients and residents.

Consistent with the Organization's mission, care is provided to patients regardless of their ability to pay. Therefore, the Organization has determined it has provided implicit price concessions to uninsured patients and patients with other uninsured balances (for example, copays and deductibles). The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and residents and the amounts the Hospital expects to collect based on its collection history with those patients and residents.

The Organization provides health care services to patients who meet certain criteria under its Charity Care Policy without charge or at amounts less than established rates. Since the Organization does not pursue collection of these amounts, they are not reported as patient service revenue. The Organization did not provide services under its charity care policy for the years ended June 30, 2020 and 2019.

### **Income Taxes**

The Organization is a South Dakota nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Organization is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. The Organization currently has no income that it has determined to be subject to unrelated business income tax. The Organization believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

### **Donor-Restricted Gifts**

The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of changes in net assets as net assets released from restrictions.

### **Advertising**

The Organization expenses advertising costs as incurred.

### **Functional Allocation of Expenses**

The financial statements report categories that are attributed to program service activities or supporting activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The functional expenses report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, such as depreciation and amortization, Interest, and other occupancy costs are allocated to a function based on a square-footage or units-of-service basis while the remainder of expenses are allocated on the basis of estimates of time and effort. Note 13 presents the natural classification detail of expenses by function.

**Change in Accounting Policy**

In May 2014, the FASB issued Accounting Standards Update (ASU) 2014-09, *Revenues from Contracts with Customers (Topic 606)*. The guidance provides a principles-based approach for determining revenue recognition and supersedes all existing guidance, such as current transaction and industry-specific revenue recognition guidance. The core principle of ASU 2014-09 is that an entity will recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (payment) to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 identifies a five-step process in order to recognize revenue. In addition, there is also more comprehensive guidance for transactions such as service revenue, contract modifications and multiple-element arrangements.

The Organization has applied the guidance retrospectively to the prior reporting period. The Organization has elected to apply certain allowable practical expedients when applying the guidance. For completed contracts, the Organization did not restate contracts that began and ended within the same annual reporting period. For completed contracts that have variable consideration, the Organization used the transaction price at the date the contract was completed rather than estimating variable consideration amounts in the comparative reporting period. For the prior year presented, the Organization will not disclose the amount of the transaction price allocated to the remaining performance obligations and an explanation of when the Organization expects to recognize that amount as revenue. The Organization has applied the above practical expedients consistently to all contracts within all reporting periods presented. The Organization does not believe the effect of applying these expedients has a material impact on the amounts presented or disclosed.

The adoption of the new standard resulted in changes to the presentation and disclosure of revenue related to uninsured and underinsured patients. Prior to the adoption of ASU 2014-09, the Organization presented a separate provision for bad debts related to self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill). Under ASU 2014-09, the estimated uncollectible amounts due from these patients are generally considered a direct reduction to patient service revenue and resulted in a material reduction in the amounts previously presented as provision for bad debts. As such, the 2019 provision of bad debts of \$79,135 has been reclassified and presented as a reduction to patient service revenue in the current presentation. The adoption of the new standard did not have an impact on recognition of total operating revenues for any period and there was no cumulative effect of a change in accounting principle recorded but did result in expanded footnote disclosures.

**Reclassification**

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

**Note 2 - Patient and Resident Service Revenue**

The Organization has agreements with third-party payers that provide for payments to the Organization at amounts different from its established rates. A summary of the payment arrangements with major third-party payors is as follows:

**Medicare:** The Organization is licensed as a Critical Access Hospital (CAH). The Organization is reimbursed for most inpatient and outpatient services under a cost-based reimbursement methodology with final settlement determined after submission of annual cost reports by the Organization and are subject to audits thereof by the Medicare Administrative Contractor (MAC). Certain services are subject to cost limits or fee schedules. The Organization's Medicare cost reports have been audited by the MAC through the year ended June 30, 2018.

**Medicaid:** Inpatient services rendered to Medicaid program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Clinical, outpatient, and assisted living services rendered to Medicaid program beneficiaries are reimbursed at specific prospectively determined rates. There are no retroactive settlements related to the Medicaid program.

**Blue Cross:** Services rendered to Blue Cross subscribers are reimbursed under a prospectively determined percentage of charges methodology.

**Other:** The Organization has also entered into payment agreements with certain commercial insurance carriers and other organizations. The basis for payment to the Organization under these agreements includes discounts from established charges.

Concentration of revenues by major payor accounted for the following percentages of the Organization's patient and resident service revenues for the years ended June 30, 2020 and 2019:

|                    | 2020        | 2019        |
|--------------------|-------------|-------------|
| Medicare           | 69%         | 71%         |
| Medicaid           | 2%          | 2%          |
| Blue Cross         | 9%          | 8%          |
| Self pay and other | 20%         | 19%         |
|                    | <u>100%</u> | <u>100%</u> |

Laws and regulations governing the Medicare, Medicaid, and other programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. The patient and resident service revenue for the years ended June 30, 2020 and 2019 increased approximately \$7,200 and \$3,900, respectively, due to removal of allowances previously estimated that are no longer necessary as a result of final settlements and years that are no longer likely subject to audits, reviews, and investigations.



**Note 3 - Provider Relief Funds**

The Organization received \$1,985,230 of Coronavirus Aid, Relief and Economic Security (CARES) Act Provider Relief Funds administered by the Department of Health and Human Services (HHS). The funds are subject to terms and conditions imposed by HHS. Among the terms and conditions is a provision that payments will only be used to prevent, prepare for, and respond to coronavirus and shall reimburse the recipient only for healthcare-related expenses or lost revenues that are attributable to coronavirus. Recipients may not use the payments to reimburse expenses or losses that have been reimbursed from other sources or that other sources are obligated to reimburse. HHS currently has a deadline to incur eligible expenses of June 30, 2021. Unspent funds will be expected to be repaid.

These funds are recorded as a refundable advance when received and are recognized as revenues in the accompanying statements of operations as all terms and conditions are considered met. The terms and conditions are subject to interpretation changes, and future clarification, the most recent of which have been considered through the date the financial statements were available to be issued. In addition, this program may be subject to oversight, monitoring and audit. Failure by a provider that received a payment from the Provider Relief Fund to comply with any term or condition can subject the provider to recoupment of some or all of the payment. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

As of June 30, 2020, the Organization had a total refundable advance balance of \$1,985,230, which was included in current liabilities on the accompanying balance sheet. During the year ended June 30, 2020, the Organization recognized no revenue from the provider relief funds in the accompanying statement of operations.

**Note 4 - Investments and Investment Income****Assets Limited as to Use**

The composition of assets limited as to use at June 30, 2020 and 2019, is set forth in the following table.

|   | <u>2020</u>       | <u>2019</u>       |
|---|-------------------|-------------------|
| By Board for capital improvements and debt redemption<br>Pooled Investment Fund * | <u>\$ 227,419</u> | <u>\$ 174,353</u> |
| Under indenture agreements<br>Pooled Investment Fund *                            | <u>\$ 53,531</u>  | <u>\$ 26,460</u>  |

The USDA Rural Economic Development loan agreement requires establishment of a reserve fund for the Organization. Funds are required to be accumulated in the reserve account until reaching a required total. The reserve fund may be used for repairs and improvements with approval of the lender. Management believes the Organization was in compliance with this requirement as of June 30, 2020.

**\*Pooled Investment Fund**

The Organization is a participant in the Avera Pooled Investment Fund, a fund administered by Avera Health that is maintained for the benefit of facilities that are sponsored, operated, or managed by Avera Health.

Investments are made in conformity with the objectives and guidelines of the Avera Health Pooled Investment Committee. Within the fund, facilities share in a pool of investments that are managed by various fund managers. Asset valuation and income and losses of the fund are allocated to participating members based on the carrying amount of their investment in the fund.

As of June 30, 2020 and 2019, the Avera Pooled Investment Fund assets were comprised of the following types of investments:

|   | <u>2020</u>   | <u>2019</u>   |
|---|---------------|---------------|
| Equity mutual funds                             | 28.9%         | 36.9%         |
| Fixed income mutual funds                       | 17.0%         | 17.6%         |
| Alternative investments                         |               |               |
| Multi-strategy, private equity, and hedge funds | 12.4%         | 17.4%         |
| Real asset                                      | 1.2%          | 1.6%          |
| Cash and short-term investments                 | 23.9%         | 7.1%          |
| Publicly traded equity securities               | 5.8%          | 6.2%          |
| Foreign equities                                | 4.2%          | 5.3%          |
| Corporate bonds                                 | 3.9%          | 4.7%          |
| U.S. government issues                          | 1.4%          | 2.0%          |
| Other fixed income                              | 1.3%          | 1.2%          |
|   | <u>100.0%</u> | <u>100.0%</u> |

**Investment Income**

Investment income and gains and losses on assets limited as to use, cash equivalents, and other investments consists of the following for the years ended June 30, 2020 and 2019:

|  | <u>2020</u>   | <u>2019</u>     |
|--|---------------|-----------------|
| Other income   |               |                 |
| Interest income  | \$ 682        | \$ 338          |
| Realized gains and losses, net                           | 4,451         | 6,970           |
| Net change in unrealized gains and losses on investments | (4,846)       | 1,644           |
|  | <u>\$ 287</u> | <u>\$ 8,952</u> |

**Note 5 - Property and Equipment**

A summary of property and equipment at June 30, 2020 and 2019, is as follows:

|                            | 2020                 |                             | 2019                 |                             |
|----------------------------|----------------------|-----------------------------|----------------------|-----------------------------|
|                            | Cost                 | Accumulated<br>Depreciation | Cost                 | Accumulated<br>Depreciation |
| Land                       | \$ 18,583            | \$ -                        | \$ 18,583            | \$ -                        |
| Land Improvements          | 57,312               | -                           | -                    | -                           |
| Building                   | 10,349,918           | 2,301,866                   | 10,332,015           | 1,841,613                   |
| Equipment                  | 1,085,486            | 498,339                     | 1,003,306            | 386,018                     |
|                            | <u>\$ 11,511,299</u> | <u>\$ 2,800,205</u>         | <u>\$ 11,353,904</u> | <u>\$ 2,227,631</u>         |
| Net property and equipment |                      | <u>\$ 8,711,094</u>         |                      | <u>\$ 9,126,273</u>         |

**Note 6 - Leases**

The Organization leases certain equipment under non-cancelable long-term operating lease agreements. Total lease expense for the years ended June 30, 2020 and 2019, for all operating leases was \$59,425 and \$56,175, respectively.

Minimum future lease payments under the non-cancelable long-term lease agreements are as follows:

|      | Years Ending June 30, |                  |
|------|-----------------------|------------------|
| 2021 |                       | \$ 33,141        |
| 2022 |                       | 6,258            |
|      |                       | <u>\$ 39,399</u> |

**Note 7 - Debt Obligations**

Long-term debt consists of:

|  | <u>2020</u>         | <u>2019</u>         |
|--|---------------------|---------------------|
| USDA Rural Economic Development notes payable, 3.250% interest only due in monthly installments of \$17,401 to August 2019, then principal plus fixed interest due in monthly installments of \$24,608 to August 2057, secured by real estate mortgage | \$ 6,344,774        | \$ 6,412,209        |
| USDA Rural Economic Development notes payable, principal plus fixed interest due in monthly installments to maturity, secured by buildings and/or equipment  |                     |                     |
| 4.125%, monthly installments of \$75 to June 2022  | 1,620               | 2,435               |
| 4.500%, monthly installments of \$421 to June 2023   | 13,879              | 18,200              |
| 4.250%, monthly installments of \$102 to October 2026  | 6,827               | 7,775               |
| 4.875%, monthly installments of \$508 to November 2037   | 70,213              | 72,817              |
| 4.375%, monthly installments of \$575 to September 2044  | 99,284              | 101,781             |
| 4.125%, monthly installments of \$308 to May 2046  | 58,175              | 59,443              |
| 4.375%, monthly installments of \$118 to May 2046  | 21,505              | 21,969              |
| 4.250%, monthly installments of \$98 to May 2046   | 18,313              | 18,725              |
| 3.00% note payable to Rural Electric Economic Development, Inc., due in monthly installments of \$1,664 including interest to August 2038, secured by mortgage property  | 279,336             | 290,734             |
| 0.00% interest note payable to Rural Electric Economic Development, Inc., due in monthly installments of \$2,500 to August 2028, secured by mortgage property  | 245,000             | 275,000             |
| 1.00% note payable, due in 18 monthly installments of \$18,013 starting in November 2020 and maturing in April 2022, unsecured   | 320,078             | -                   |
|  | <u>7,479,004</u>    | <u>7,281,088</u>    |
| Less current portion   | <u>(276,968)</u>    | <u>(142,363)</u>    |
|  | <u>\$ 7,202,036</u> | <u>\$ 7,138,725</u> |

Long-term debt maturities are as follows:

| <u>Years Ending June 30,</u> |                     |
|------------------------------|---------------------|
| 2021                         | \$ 276,968          |
| 2022                         | 315,982             |
| 2023                         | 146,675             |
| 2024                         | 145,797             |
| 2025                         | 149,700             |
| Thereafter                   | <u>6,443,882</u>    |
|                              | <u>\$ 7,479,004</u> |

The Organization was granted a \$320,078 loan under the Paycheck Protection Program (PPP) administered by a Small Business Administration (SBA) approved partner. The loan is uncollateralized and is fully guaranteed by the Federal government. The Organization is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The Organization has recorded a note payable and will record the forgiveness upon being legally released from the loan obligation by the SBA. No forgiveness income has been recorded for the year ended June 30, 2020. The Organization will be required to repay any remaining balance, plus interest accrued at 1%, in monthly payments commencing upon notification of full or partial forgiveness.

## **Note 8 - Contingencies**

### **Malpractice Insurance**

The Organization has malpractice insurance coverage to provide protection for professional liability losses on a claims-made basis subject to a limit of \$1 million per claim and an annual aggregate limit of \$3 million. The Organization is also insured under an excess umbrella liability claims-made policy with a limit of \$40 million. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims based on occurrences during its term, but reported subsequently, would be uninsured.

### **Litigation, Claim, and Assessments**

The Organization is subject to the usual contingencies in the normal course of operations relating to the performance of its task under its various programs. In addition, the health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations, specifically those relating to Medicare and Medicaid programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at the time. Federal government activity has increased with respect to investigations and allegations concerning possible violations by health care providers of regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments of previous billed and collected revenues from patient services. Management believes that the Organization is in substantial compliance with current laws and regulations.

**Covid-19 Pandemic**

During 2020, the world-wide coronavirus pandemic impacted national and global economies. The Organization is closely monitoring its operations, liquidity and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the date of issuance of these financial statements, the current and future full impact to the Organization is not known.

**Note 9 - Retirement Plan**

As of January 1, 2016, the Organization sponsors a SIMPLE IRA retirement plan that covers all eligible employees with annual wages exceeding \$5,000. Contributions to the plan by the employer are based on 2% of compensation with annual limits determined by IRS regulations. Prior to January 1, 2016, the Organization had a defined contribution pension plan. The Organization had expenses related to the plan for the years ended June 30, 2020 and 2019 in the amounts of \$22,173 and \$22,488, respectively.

**Note 10 - Net Assets with Donor Restrictions**

Net assets with donor restrictions are restricted or the following purposes or periods at June 30, 2020 and 2019:

|   | <u>2020</u>       | <u>2019</u>       |
|---|-------------------|-------------------|
| Subject to expenditure for a specified purpose  |                   |                   |
| Capital project fund  | \$ 148,987        | \$ 223,602        |
| Other various health care related programs and services   | 50,189            | 133,066           |
| Perpetual time restriction  |                   |                   |
| Funds to be held in perpetuity, income from which is to be used to support hospital operating and capital needs at the discretion of the board of directors | <u>7,717</u>      | <u>7,717</u>      |
|   | <u>\$ 206,893</u> | <u>\$ 364,385</u> |

**Note 11 - Endowments**

The Organization's endowments consist of a portion of their interest in the net assets of Avera Health Foundation. Avera Health Foundation includes endowment funds which have been established for a variety of purposes. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments (if any), are classified and reported based on the existence or absence of donor-imposed restrictions. The Organization's endowment funds are donor restricted and totaled \$10,044 and \$10,107 at June 30, 2020 and 2019, respectively. The Organization currently does not have any board-designated endowment funds.

**Interpretation of Relevant Law**

The Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization retains in perpetuity (a) the original value of initial and subsequent gift amounts donated to the endowment, and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor restricted amounts not retained in perpetuity are subject to appropriation for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Organization
7. The investment policies of the Organization.

At June 30, 2020 the Organization had the following endowment net asset composition by type of fund:

|   | <u>Without Donor<br/>Restrictions</u> | <u>With Donor<br/>Restrictions</u> | <u>Total</u>     |
|---|---------------------------------------|------------------------------------|------------------|
| Donor-restricted endowment funds  |                                       |                                    |                  |
| Original donor-restricted gift amount<br>and amounts required to be maintained<br>in perpetuity by donors | \$ -                                  | \$ 7,717                           | \$ 7,717         |
| Accumulated investment gains  | -                                     | 2,327                              | 2,327            |
|   | <u>\$ -</u>                           | <u>\$ 10,044</u>                   | <u>\$ 10,044</u> |

At June 30, 2019 the Organization had the following endowment net asset composition by type of fund:

|   | <u>Without Donor<br/>Restrictions</u> | <u>With Donor<br/>Restrictions</u> | <u>Total</u>     |
|---|---------------------------------------|------------------------------------|------------------|
| Donor-restricted endowment funds  |                                       |                                    |                  |
| Original donor-restricted gift amount<br>and amounts required to be maintained<br>in perpetuity by donors | \$ -                                  | \$ 7,717                           | \$ 7,717         |
| Accumulated investment gains  | -                                     | 2,390                              | 2,390            |
|   | <u>\$ -</u>                           | <u>\$ 10,107</u>                   | <u>\$ 10,107</u> |

### **Funds with Deficiencies**

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor requires the Organization to retain as a fund of perpetual duration. In accordance with generally accepted accounting principles, deficiencies of this nature are reported in net assets with donor restrictions. There were no such deficiencies that were deemed material as of June 30, 2020 and 2019.

### **Return Objectives and Risk Parameters**

Through its affiliation with the Avera Health Foundation, the Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s). Under these policies, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that meet the price and yield investment returns established by the Avera Pooled Investment Committee while assuming a moderate level of investment risk. The Organization expects its endowment funds with the Avera Health Foundation, over time, to provide an average rate of return of approximately 6%-8% annually. Actual returns in any given year may vary from this amount.

### **Strategies Employed for Achieving Objectives**

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation including equity securities, fixed-income securities, hedge funds, and private equity to achieve its long-term return objectives within prudent risk constraints.

### **Spending Policy and How the Investment Objectives Relate to Spending Policy**

The Avera Health Foundation Board of Directors determines the annual spending rate and distribution amounts based on a review of the average market value of the endowment fund over the most recent 20 quarters. Local governing boards review the spending rate and distribution information and determine if payouts that would invade the corpus would be fiscally responsible.



## Eureka Community Health Services

Notes to Financial Statements

June 30, 2020 and 2019

Changes in endowment net assets for the years ended June 30, 2020 and 2019 are as follows:

|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total     |
|--|-------------------------------|----------------------------|-----------|
| Endowment net assets, July 1, 2018                             | \$ -                          | \$ 9,760                   | \$ 9,760  |
| Change in interest in net assets of<br>Avera Health Foundation | -                             | 347                        | 347       |
| Endowment net assets, June 30, 2019                            | -                             | 10,107                     | 10,107    |
| Change in interest in net assets of<br>Avera Health Foundation | -                             | (63)                       | (63)      |
| Endowment net assets, June 30, 2020                            | \$ -                          | \$ 10,044                  | \$ 10,044 |

### Note 12 - Liquidity & Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, are comprised of the following:

|   | 2019         | 2018         |
|---|--------------|--------------|
| Cash and cash equivalents                             | \$ 2,288,101 | \$ 332,488   |
| Receivables   |              |              |
| Patients and residents                                | 728,128      | 773,972      |
| Other   | 7,252        | 11,466       |
| Assets limited as to use                              |              |              |
| By Board for capital improvements and debt redemption | 227,419      | 174,353      |
|   | \$ 3,250,900 | \$ 1,292,279 |

Assets limited as to use that are considered available for general expenditure consist of amounts designated by the Board for future capital improvements and debt redemption. Although the Hospital does not intend to use these funds for general expenditures, these amounts could be made available if necessary.

**Note 13 - Functional Expenses**

The Organization provides general health care services to residents within its geographic location. Expenses related to providing these services by functional class for the years ended June 30, 2020 and 2019 are as follows:

|                               | Health Care Services |                      | General and<br>Administrative | Total               |
|-------------------------------|----------------------|----------------------|-------------------------------|---------------------|
|                               | Patient<br>Services  | Resident<br>Services |                               |                     |
| Salaries and wages            | \$ 1,458,165         | \$ 65,912            | \$ 162,430                    | \$ 1,686,507        |
| Professional fees             | 235,340              | -                    | -                             | 235,340             |
| Purchased services            | 245,609              | 64,825               | 17,715                        | 328,149             |
| Depreciation and amortization | 379,140              | 126,498              | 66,935                        | 572,573             |
| Other expenses                | 108,573              | 2,821                | 238,631                       | 350,025             |
| Employee benefits             | 293,284              | 6,980                | 39,966                        | 340,230             |
| Supplies                      | 171,200              | 16,366               | 9,594                         | 197,160             |
| Repairs and maintenance       | 64,128               | 3,129                | 77,103                        | 144,360             |
| Interest                      | 157,361              | 52,503               | 27,781                        | 237,645             |
| Utilities and telephone       | 59,580               | 18,699               | 20,001                        | 98,280              |
| Insurance                     | 16,315               | 5,443                | 2,881                         | 24,639              |
|                               | <u>\$ 3,188,695</u>  | <u>\$ 363,176</u>    | <u>\$ 663,037</u>             | <u>\$ 4,214,908</u> |

  

|                               | Health Care Services |                      | General and<br>Administrative | Total               |
|-------------------------------|----------------------|----------------------|-------------------------------|---------------------|
|                               | Patient<br>Services  | Resident<br>Services |                               |                     |
| Salaries and wages            | \$ 1,250,843         | \$ 48,103            | \$ 186,421                    | \$ 1,485,367        |
| Professional fees             | 364,954              | -                    | -                             | 364,954             |
| Purchased services            | 252,013              | 57,935               | 16,420                        | 326,368             |
| Depreciation and amortization | 200,786              | 66,991               | 35,447                        | 303,224             |
| Other expenses                | 91,942               | 2,947                | 196,207                       | 291,096             |
| Employee benefits             | 249,147              | 5,929                | 33,952                        | 289,028             |
| Supplies                      | 204,022              | 5,741                | 3,896                         | 213,659             |
| Repairs and maintenance       | 60,350               | 4,475                | 70,221                        | 135,046             |
| Interest                      | 77,941               | 26,005               | 13,760                        | 117,706             |
| Utilities and telephone       | 62,249               | 19,493               | 19,333                        | 101,075             |
| Insurance                     | 17,538               | 5,851                | 3,096                         | 26,485              |
|                               | <u>\$ 2,831,785</u>  | <u>\$ 243,470</u>    | <u>\$ 578,753</u>             | <u>\$ 3,654,008</u> |

**Note 14 - Concentrations of Credit Risk**

The Organization grants credit without collateral to its patients and residents, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients, residents, and third-party payors at June 30, 2020 and 2019, were as follows:

|                             | 2020        | 2019        |
|-----------------------------|-------------|-------------|
| Medicare                    | 56%         | 63%         |
| Blue Cross                  | 8%          | 7%          |
| Commercial and managed care | 21%         | 12%         |
| Medicaid                    | 2%          | 4%          |
| Self pay and other          | 13%         | 14%         |
|                             | <u>100%</u> | <u>100%</u> |

The Organization's cash balances are maintained in various bank deposit accounts. At times during the years ended June 30, 2020 and 2019, the balance of these deposits was in excess of federally insured limits.

**Note 15 - Subsequent Events**

Subsequent to year end, the Organization met the requirements under the SBA PPP loan program and received full forgiveness of the PPP loan, including principal of \$320,078 and accrued interest of \$1,754.

The Organization has evaluated subsequent events through November 19, 2020, the date which the financial statements were available to be issued.



Supplementary Information  
June 30, 2020 and 2019

## Eureka Community Health Services



## Independent Auditor's Report on Supplementary Information

The Board of Directors  
Eureka Community Health Services  
Eureka, South Dakota

We have audited the financial statements of Eureka Community Health Services as of and for the years ended June 30, 2020 and 2019, and our report thereon dated November 19, 2020, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules of net patient and resident service revenue, other revenue, and expenses on pages 26 through 30 are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The operational, financial, and statistical highlights, on page 31, which are the responsibility of management, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Eide Bailly LLP*

Sioux Falls, South Dakota  
November 19, 2020

Eureka Community Health Services  
Schedules of Patient and Resident Service Revenue  
Years Ended June 30, 2020 and 2019

|  | 2020         | 2019         |
|--|--------------|--------------|
| Patient and Resident Service Revenue       |              |              |
| Nursing service                            | \$ 494,321   | \$ 517,152   |
| Operating room                             | 48,366       | 118,836      |
| Cardiology                                 | 45,425       | 36,851       |
| Laboratory                                 | 802,659      | 814,514      |
| Radiology                                  | 538,212      | 382,979      |
| Endoscopy                                  | 89,158       | 93,921       |
| Pharmacy                                   | 128,718      | 151,179      |
| Central supply                             | 26,601       | 37,633       |
| Anesthesiology                             | 14,884       | 32,190       |
| Cardiac rehab                              | 21,420       | 50,943       |
| Physical therapy                           | 220,239      | 245,494      |
| Occupational therapy                       | 3,614        | 3,463        |
| Speech therapy                             | 30,348       | -            |
| Blood                                      | 19,042       | 18,019       |
| Emergency room                             | 195,800      | 148,795      |
| Home health                                | 163          | 32,373       |
| Homemaker                                  | 53,625       | 66,993       |
| Community nursing                          | 5,533        | 4,715        |
| Clinic                                     | 548,544      | 566,216      |
| Assisted living                            | 342,730      | 278,095      |
|  | 3,629,402    | 3,600,361    |
| Total patient and resident service revenue |              |              |
| Price Concessions                          | (202,214)    | (413,219)    |
| Patient and Resident Service Revenue       | \$ 3,427,188 | \$ 3,187,142 |

Eureka Community Health Services  
Schedules of Other Revenue  
Years Ended June 30, 2020 and 2019

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|                              | <u>2020</u>       | <u>2019</u>       |
|------------------------------|-------------------|-------------------|
| Other Revenue                |                   |                   |
| Community health             | \$ 47,382         | \$ 53,735         |
| Grant revenue                | 31,866            | 37,631            |
| Interest on patient accounts | 18,369            | 5,202             |
| Other                        | <u>7,541</u>      | <u>16,746</u>     |
|                              | <u>\$ 105,158</u> | <u>\$ 113,314</u> |

Eureka Community Health Services

Schedules of Expenses

Years Ended June 30, 2020 and 2019

|                             | <u>2020</u>    | <u>2019</u>    |
|-----------------------------|----------------|----------------|
| Routine Services            |                |                |
| Salaries and wages          | \$ 554,884     | \$ 513,284     |
| Supplies and other expenses | 46,598         | 41,715         |
|                             | <u>601,482</u> | <u>554,999</u> |
| Operating Room              |                |                |
| Salaries and wages          | 2,572          | 6,460          |
| Supplies and other expenses | 20,969         | 32,080         |
|                             | <u>23,541</u>  | <u>38,540</u>  |
| Cardiology                  |                |                |
| Salaries and wages          | 298            | 1,313          |
| Supplies and other expenses | 10,758         | 5,685          |
|                             | <u>11,056</u>  | <u>6,998</u>   |
| Laboratory                  |                |                |
| Salaries and wages          | 113,011        | 109,111        |
| Supplies and other expenses | 134,820        | 127,950        |
|                             | <u>247,831</u> | <u>237,061</u> |
| Radiology                   |                |                |
| Salaries and wages          | 118,675        | 82,280         |
| Supplies and other expenses | 57,426         | 74,972         |
|                             | <u>176,101</u> | <u>157,252</u> |
| Endoscopy                   |                |                |
| Salaries and wages          | 5,904          | 7,111          |
| Supplies and other expenses | 6,022          | 5,684          |
|                             | <u>11,926</u>  | <u>12,795</u>  |
| Pharmacy                    |                |                |
| Supplies and other expenses | 60,005         | 65,131         |
| Central Supply              |                |                |
| Supplies and other expenses | 4,245          | 14,739         |
| Anesthesiology              |                |                |
| Supplies and other expenses | 4,970          | 14,047         |
| Cardiac Rehab               |                |                |
| Salaries and wages          | 3,453          | 7,497          |
| Supplies and other expenses | 2,825          | 2,760          |
|                             | <u>6,278</u>   | <u>10,257</u>  |



# Eureka Community Health Services

## Schedules of Expenses

Years Ended June 30, 2020 and 2019

|                             | 2020      | 2019       |
|-----------------------------|-----------|------------|
| Physical Therapy            |           |            |
| Salaries and wages          | \$ 97,755 | \$ 105,562 |
| Supplies and other expenses | 17,504    | 12,614     |
|                             | 115,259   | 118,176    |
| Occupational Therapy        |           |            |
| Supplies and other expenses | 12,687    | 2,511      |
|                             | 12,687    | 2,511      |
| Emergency Room *            |           |            |
| Salaries and wages          | 93,799    | 65,468     |
| Supplies and other expenses | 148,604   | 204,296    |
|                             | 242,403   | 269,764    |
| Home Health                 |           |            |
| Salaries and wages          | -         | 33,194     |
| Supplies and other expenses | 65        | 579        |
|                             | 65        | 33,773     |
| Homemaker                   |           |            |
| Salaries and wages          | 64,789    | 40,463     |
| Supplies and other expenses | 1,997     | 2,490      |
|                             | 66,786    | 42,953     |
| Community Nursing           |           |            |
| Salaries and wages          | 32,618    | 34,810     |
| Supplies and other expenses | 3,253     | 3,581      |
|                             | 35,871    | 38,391     |
| Dietary                     |           |            |
| Supplies and other expenses | 69,267    | 64,106     |
|                             | 69,267    | 64,106     |
| Plant Operations            |           |            |
| Salaries and wages          | 56,625    | 48,358     |
| Supplies and other expenses | 116,743   | 109,908    |
|                             | 173,368   | 158,266    |
| Housekeeping                |           |            |
| Salaries and wages          | 42,257    | 36,947     |
| Supplies and other expenses | 5,062     | 3,393      |
|                             | 47,319    | 40,340     |

\* Salaries related to emergency room nursing coverage are included in the routine service department.

## Eureka Community Health Services

Schedules of Expenses

Years Ended June 30, 2020 and 2019

|                               | 2020         | 2019         |
|-------------------------------|--------------|--------------|
| Assisted Living *             |              |              |
| Salaries and wages            | \$ 36,660    | \$ 29,253    |
| Supplies and other expenses   | 6,102        | 5,937        |
|                               | 42,762       | 35,190       |
| Laundry                       |              |              |
| Salaries and wages            | -            | 15           |
| Supplies and other expenses   | 6,661        | 6,122        |
|                               | 6,661        | 6,137        |
| Administrative Services       |              |              |
| Salaries and wages            | 180,474      | 176,447      |
| Supplies and other expenses   | 410,984      | 344,501      |
|                               | 591,458      | 520,948      |
| Clinic                        |              |              |
| Salaries and wages            | 282,733      | 187,794      |
| Supplies and other expenses   | 205,747      | 287,397      |
|                               | 488,480      | 475,191      |
| Unassigned Expenses           |              |              |
| Employee benefits             | 340,230      | 289,028      |
| Insurance                     | 24,639       | 26,485       |
| Interest                      | 237,645      | 117,706      |
| Depreciation and amortization | 572,573      | 303,224      |
|                               | 1,175,087    | 736,443      |
|                               | \$ 4,214,908 | \$ 3,654,008 |

\* Additional salaries related to assisted living are included in the routine service department.

Eureka Community Health Services  
Operational, Financial, and Statistical Highlights - Unaudited  
Years Ended June 30, 2020 and 2019

|   | <u>2020</u> | <u>2019</u> |
|---|-------------|-------------|
| Patient Days - Acute                                  |             |             |
| Medicare  | 136         | 176         |
| Non-Medicare  | <u>15</u>   | <u>19</u>   |
| Total   | <u>151</u>  | <u>195</u>  |
| Swing-Bed Days  | 176         | 189         |
| Assisted Living Days                                  | 3,808       | 3,660       |
| Number of Discharges (1)                              |             |             |
| Medicare  | 63          | 86          |
| Non-Medicare  | <u>14</u>   | <u>11</u>   |
| Total   | <u>77</u>   | <u>97</u>   |
| Number of Hospital Beds (4)                           | 4           | 5           |
| Number of Outpatient Visits                           | 5,012       | 4,303       |
| Percent of Occupancy                                  | 22.4%       | 21.0%       |
| Year End Routine Service Rate                         |             |             |
| Room rates - acute care                               | \$ 1,700.00 | \$ 1,700.00 |
| Collection Statistics                                 |             |             |
| Patient and resident accounts receivable              | \$ 728,128  | \$ 773,972  |
| Number of days gross charges outstanding (2)          | 92          | 89          |
| Uncollectible accounts (3)                            | 43,475      | 80,493      |
| Percentage of uncollectible accounts to total charges | 1.2%        | 2.2%        |

(1) Includes swing-bed discharges

(2) Based on average daily patient charges for the last three months of the year.

(3) Includes provision for bad debts (net of bad debt recoveries), collection fees, and charity care.

(4) New 4 bed hospital replaced the 6 bed hospital in January 2019.